

DEPARTMENT OF HOMELAND SECURITY

Office of Inspector General

FEMA's Preparedness for
the Next Catastrophic Disaster



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March 2008

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Preface

The Department of Homeland Security, Office of Inspector General, was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the department.

This report addresses FEMA's preparedness for the next catastrophic disaster. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

It is our hope that this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in black ink that reads "Richard L. Skinner".

Richard L. Skinner
Inspector General

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Abbreviations

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| CAP | Contract Administration Plan |
| COTR | Contracting Officer's Technical Representative |
| CPD | Community Preparedness Division |
| DHAP | Disaster Housing Assistance Program |
| DHS | Department of Homeland Security |
| DOD | Department of Defense |
| DOJ | Department of Justice |

Table of Contents/Abbreviations

| | |
|--------|---|
| eCAPS | Enterprise Coordination and Approvals Processing System |
| EMI | Emergency Management Institute |
| FCO | Federal Coordinating Officer |
| FEMA | Federal Emergency Management Agency |
| FY | Fiscal Year |
| GAO | Government Accountability Office |
| GAP | Gap Analysis Program |
| GPS | Global Positioning System |
| GSA | General Services Administration |
| HSPD-8 | Homeland Security Presidential Directive-8 |
| HUD | Department of Housing and Urban Development |
| IA-TAC | Individual Assistance Technical Assistance Contract |
| ICTAP | Interoperable Communications Technical Assistance Program |
| IT | Information Technology |
| IWN | Integrated Wireless Network |
| LIMS | Logistics Information Management System |
| MA | Mission Assignment |
| MAWG | Mission Assignment Working Group |
| MERS | Mobile Emergency Response Support |
| MRE | Meal, Ready-To-Eat (emergency meals) |
| NDHS | National Disaster Housing Strategy |
| NIMS | National Incident Management System |
| NLC | National Logistics Coordinator |
| NPD | National Preparedness Directorate |
| NRF | National Response Framework |
| NRP | National Response Plan |
| OAM | Office of Acquisition Management |
| OEC | Office of Emergency Communications |
| OIC | Office for Interoperability and Compatibility |
| OIG | Office of Inspector General |
| OMB | Office of Management and Budget |
| PFO | Principal Federal Official |
| P.L. | Public Law |
| RAMP | Remedial Action Management Program |
| SHCP | Strategic Human Capital Plan |
| TAV | Total Asset Visibility |
| USACE | U.S. Army Corps of Engineers |

OIG

*Department of Homeland Security
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Executive Summary

On July 31, 2007, the House Committee on Oversight and Government Reform held a hearing to review the Federal Emergency Management Agency's (FEMA) preparedness to handle a future disaster. During that hearing, the Deputy Inspector General for Emergency Management Oversight testified that the "New FEMA" had made progress in many areas related to disaster preparedness, but that generally FEMA was not fully prepared for a catastrophic disaster. The Committee, in turn, requested that the Office of Inspector General (OIG) provide a high-level assessment of the Department of Homeland Security (DHS)/FEMA's preparedness for the next catastrophic disaster.

The primary objectives of our assessment were to identify key areas for preparing for a catastrophic disaster, and determine the progress FEMA has made in the key areas since Hurricane Katrina struck in August 2005.

We reviewed pertinent reports, including those of our office and the Government Accountability Office (GAO), as well as congressional testimony. We identified nine key areas critical to successful catastrophic preparedness efforts. We collaborated with FEMA officials to identify two to five critical components within each key area. We interviewed FEMA officials and evaluated documents provided by them. We assessed FEMA's progress in each of the areas using a four-tiered scale: substantial progress, moderate progress, modest progress, and limited or no progress.

Given the scope and limitations of our review, we did not perform an in-depth assessment of each of the nine key preparedness areas. We used the critical components within each area, as well as our broader knowledge of the key preparedness areas, to gauge FEMA's overall progress in those areas.

Overall, FEMA has made moderate progress in five of the nine key areas, modest progress in three areas, and limited progress in one

area (See Figure 1). FEMA officials said that budget shortfalls, reorganizations, inadequate information technology systems, and confusing or limited authorities negatively affected their progress. We agree with FEMA. FEMA would also benefit from better knowledge management and plans for sustaining initiatives that are underway.

We are recommending that FEMA (1) conduct a comprehensive “needs analysis” to determine where they are now and where they need to be, *as an agency*, in terms of preparedness for a catastrophic disaster; (2) develop and sustain a system for tracking progress of programs, initiatives, and enhancements; and (3) provide regular updates regarding progress on all major preparedness initiatives and projects.

Figure 1: Scorecard for Select FEMA Preparedness Areas

| Key Preparedness Areas | Progress |
|--|--|
| OVERALL PLANNING <ul style="list-style-type: none"> Develop a strategic framework and guidance for integration of prevention, response, and recovery efforts Complete assessments of capabilities/readiness at the national/state/local levels Enhance preparedness at all levels Enhance community preparedness Enhance preparedness for the management and resolution of catastrophic events | Moderate Moderate Modest Moderate Moderate Moderate |
| COORDINATION AND SUPPORT <ul style="list-style-type: none"> Implement the new National Response Framework and Specific Operational Plans Clarify the roles, responsibilities, and authorities of the Principal Federal Official and Federal Coordinating Officer Provide law enforcement access to FEMA records | Moderate Modest Moderate Substantial |
| INTEROPERABLE COMMUNICATIONS <ul style="list-style-type: none"> Achieve coordination among all DHS components charged with improving interoperable communications Ensure federal disaster communications assets and operating procedures are in place for disaster response and recovery Manage federal interoperable communication grants and programs | Moderate Modest Moderate Moderate |
| LOGISTICS <ul style="list-style-type: none"> Establish total asset visibility Improve pre-positioning of commodities | Moderate Moderate Moderate |
| EVACUATIONS <ul style="list-style-type: none"> Develop Gap Analysis Program Enhance Gulf Coast Mass Evacuation Capability | Modest Moderate Substantial |
| HOUSING <ul style="list-style-type: none"> Establish a National Disaster Housing Strategy Develop plans to purchase, track, and dispose of temporary housing units Strengthen state and local commitment to house affected citizens | Modest Modest Modest Modest |
| DISASTER WORKFORCE <ul style="list-style-type: none"> Adopt a Strategic Human Capital Plan, including specific strategies for the development of a surge capacity disaster workforce Manage the disaster workforce consistent with the Strategic Human Capital Plan and integrate workforce management tracking systems | Modest Moderate Modest |
| MISSION ASSIGNMENTS <ul style="list-style-type: none"> Improve guidance for mission assignments (i.e., regulations, policies, and operating procedures) Improve staffing and training Enhance management of mission assignments | Limited Modest Limited Limited |
| ACQUISITION MANAGEMENT <ul style="list-style-type: none"> Have pre-disaster contracts in place Recruit, train, and retain sufficient acquisition staff Provide for post-award oversight | Moderate Moderate Moderate Modest |

Note: The summary ratings of progress for the nine key areas are based on our assessments of the critical components listed, as well as our broader knowledge of the areas. FEMA officials generally agreed that these critical components are among the most important, and we believe they are strong indicators of overall progress.

Background

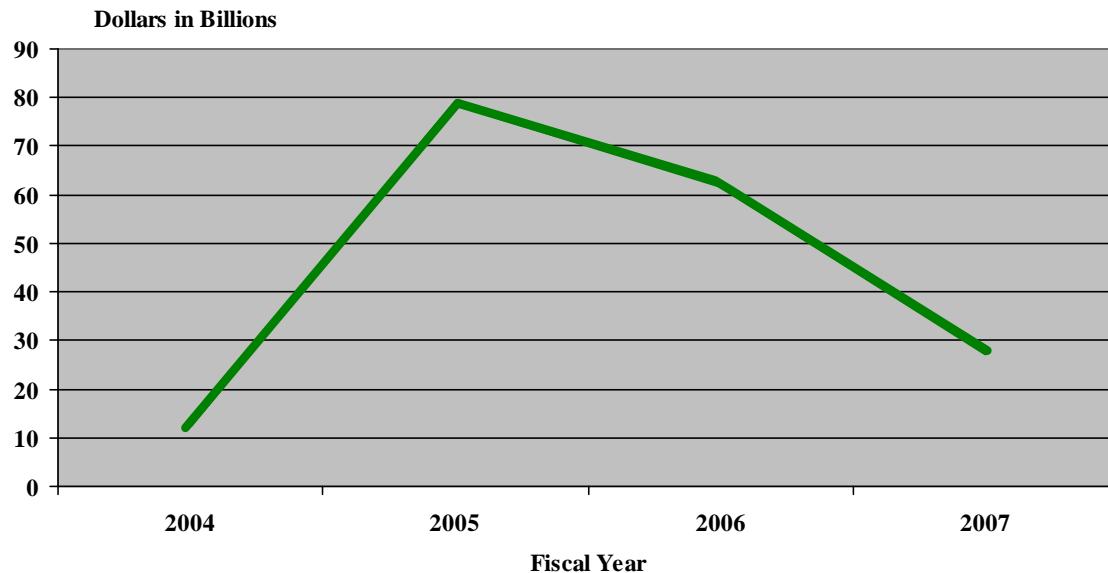
In responding to emergency situations, whether natural or man-made, current doctrine dictates that government agencies and organizations most local to the situation act as first responders. When state and local governments become overwhelmed by the size or scope of the disaster, state officials may request assistance from the federal government; so federal agencies must always be prepared to provide support when needed. President Carter issued an executive order in 1979 merging many of the separate disaster-related federal functions and creating FEMA. Following the terrorist attacks of September 11, 2001 (9/11), the *Homeland Security Act of 2002* (P.L. 107-296) (*Homeland Security Act*) realigned FEMA and made it part of the newly formed Department of Homeland Security (DHS).

FEMA's statutory authority comes from the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*, as amended (P.L. 100-707) (*Stafford Act*), which was signed into law in 1988 and amended the *Disaster Relief Act of 1974* (P.L. 93-288). To access federal assistance under the *Stafford Act*, states must make an emergency or major disaster declaration request that is reviewed by FEMA for presidential approval. The *Stafford Act* also permits FEMA to anticipate declarations and pre-stage federal personnel and resources when a disaster threatening human health and safety is imminent, but not yet declared.

Hurricane Katrina, which made landfall on August 29, 2005, was the Nation's most costly natural disaster, killing more than 1,800 people, destroying 300,000 Gulf Coast homes, and displacing about 1 million people. It is estimated that Hurricane Katrina caused over \$81 billion in damages. Another proxy for the magnitude of the storm is FEMA's budget during Fiscal Years (FY) 2005 and 2006. Figure 2 reflects FEMA's budgetary resources from FY 2004 to FY 2007.

Reports issued by Congress, the White House, federal Offices of Inspector General, and GAO, among others, identified issues including questionable leadership decisions and capabilities, organizational failures, overwhelmed response and communications systems, and inadequate statutory authorities, as contributors to the poor response. In the wake of Hurricane Katrina, it became clear that FEMA's efforts to support state and local emergency management and to prepare for federal response

Figure 2: FEMA's Budgetary Resources, Fiscal Years 2004 through 2007



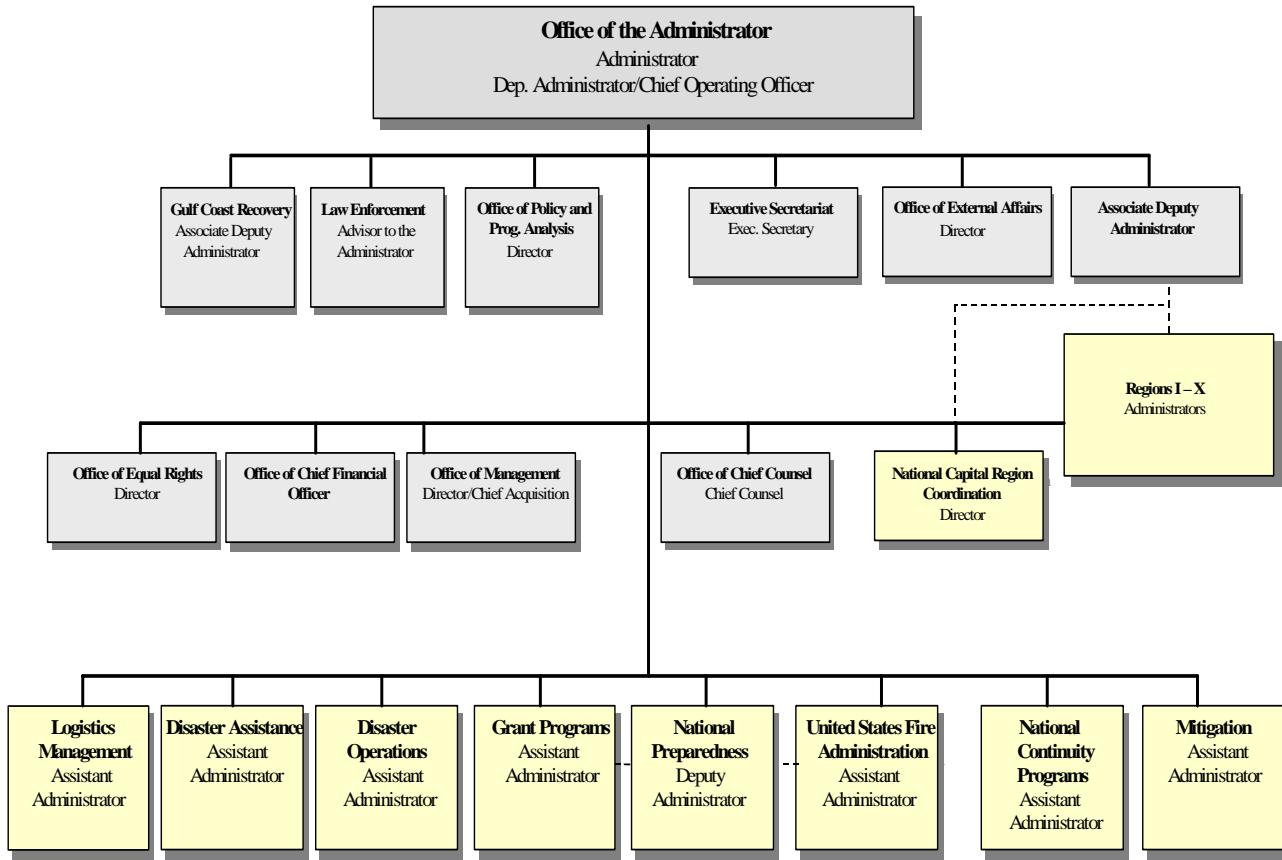
Source: DHS Annual Financial Report Data. Budgetary resources include unobligated balances carried forward; recoveries of prior year obligations; current year budget authority; and non-expenditure transfers.

and recovery in natural disasters were insufficient for an event of such catastrophic magnitude.

As a result, Congress enacted a number of changes to enhance the federal government's response capabilities for emergency management. In total, six statutes enacted by the 109th Congress contain changes that apply to future federal emergency management actions. While most of the laws contained relatively few changes to federal authorities related to emergencies and disasters, the *Post-Katrina Emergency Management Reform Act of 2006*, (P.L. 109-295, Title VI – National Emergency Management, of the *Department of Homeland Security Appropriations Act of 2007*) (*Post-Katrina Act*) contained many changes that have long-term consequences for FEMA and other federal entities. That statute reorganizes FEMA, expands its statutory authority, and imposes new conditions and requirements on the operations of the

agency. Figure 3 shows the structure of the reorganized “New FEMA.”

Figure 3: FEMA Organization



Source: FEMA. Dotted lines are coordination. Solid lines are command and control.

Results of Review

We assessed the progress that FEMA has made to improve the following elements of its catastrophic disaster preparedness initiatives:

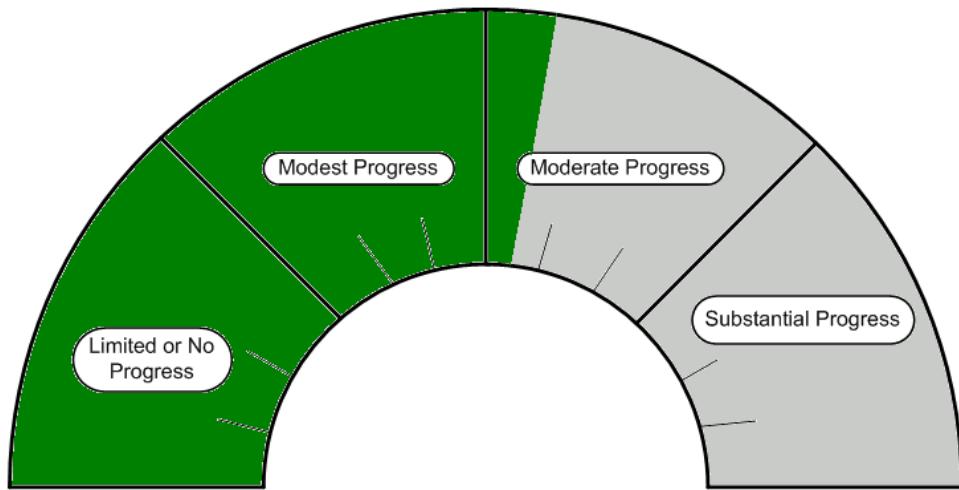
- Overall Planning;
- Coordination and Support;
- Interoperable Communications;
- Logistics;
- Evacuations;
- Housing;
- Disaster Workforce;
- Mission Assignments; and
- Acquisition Management.

Overall, FEMA has made moderate progress in five of the nine key areas, modest progress in three areas, and limited progress in one area. FEMA officials said that budget shortfalls, reorganizations, inadequate information technology (IT) systems, and confusing or limited authorities negatively affected their progress. We agree with FEMA. FEMA would also benefit from better knowledge management and plans for sustaining initiatives that are underway.

FEMA is spending millions of dollars on new initiatives and enhancements to its disaster management systems. These initiatives are critical to enhancing FEMA's ability to better respond to disasters, but it is not clear that they are well-planned or integrated. It is also not clear that FEMA's top management effectively communicates a vision and plans for these initiatives to staff or that there is clear ownership and accountability for each initiative.

FEMA is making progress in transforming itself to be better prepared to lead the federal effort in responding to a catastrophic disaster. FEMA can build upon this progress by continuing to develop the nine key areas discussed in this report.

Overall Planning



Background

Homeland Security Presidential Directive-8 “National Preparedness” (HSPD-8) was issued on December 17, 2003. HSPD-8 established “policies to strengthen the preparedness of the United States to prevent and respond to threatened or actual domestic terrorist attacks, major disasters, and other emergencies by requiring a **national domestic all-hazards preparedness goal** [bold added], establishing mechanisms for improved delivery of Federal preparedness assistance to State and local governments, and outlining actions to strengthen preparedness capabilities of Federal, State, and local entities.”

The National Preparedness Guidelines (Guidelines) were released in September 2007. The Guidelines contain four primary elements:

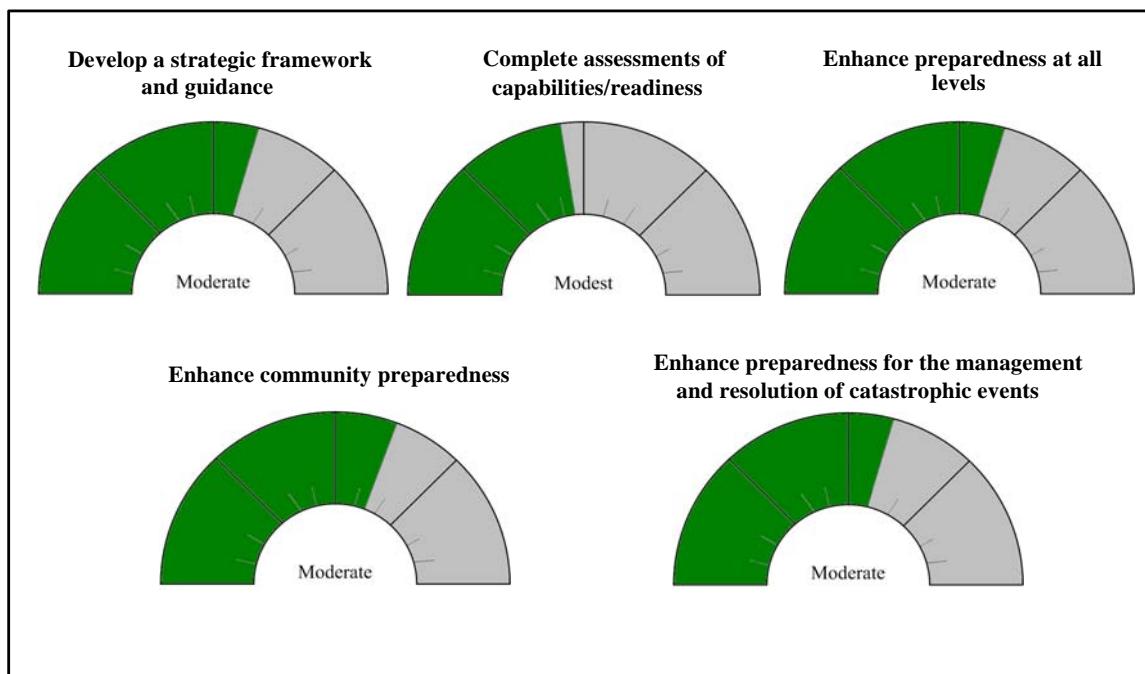
- National Preparedness Vision;
- National Planning Scenarios;
- Universal Task List; and
- Target Capabilities List.

The National Preparedness Vision, as set forth in the Guidelines, is: “A nation prepared with coordinated capabilities to prevent, protect against, respond to, and recover from all hazards in a way that balances risk with resources and need.”

The “New FEMA,” specifically the National Preparedness Directorate (NPD), is responsible for using the Guidelines to ensure that the Nation is prepared for the next disaster, whether natural or manmade.

We reviewed five critical areas in Overall Planning in which FEMA, led by NPD, is focusing its efforts to respond to the next disaster:

- Develop a strategic framework and guidance for integration of prevention, response, and recovery efforts
- Complete assessments of capabilities/readiness at the national/state/local levels
- Enhance preparedness at all levels
- Enhance community preparedness
- Enhance preparedness for the management and resolution of catastrophic events



Critical Components

Develop a strategic framework and guidance (Moderate) – NPD is charged with developing a single, strategic framework for integration of prevention, response, and recovery efforts of FEMA’s various offices and programs. The strategic framework and guidance under development are based on HSPD-8, but officials said they currently have to work from “dozens of different national strategies and directives.” Reconciling

multiple sources of guidance hinders achieving “strategic coherence,” i.e., coherence among peer strategic documents or generations of documents.

However, FEMA does consider grants one area of growing success in using strategic guidance to steer the use of federal funds toward the National Preparedness Vision. NPD officials said they are seeing results in states’ investments of core capabilities.

Complete assessments of capabilities/readiness (Modest) – NPD is currently working to conduct assessments of capabilities and readiness at the national, state, and local levels, but the “assessment problem” is complex. NPD said the assessment task was understated in HSPD-8. The comprehensive state assessment effort currently underway is unique, and according to NPD officials, questions remain about how to collect the right information without undue burden on the states.

NPD officials said that the assessment they are prototyping (a self-assessment) is only one of four components of a comprehensive assessment. Three additional elements are necessary: peer reviews, compliance monitoring, and exercise/corrective action programs. FEMA officials did not say when any of these three remaining elements might be implemented.

NPD finished testing a prototype assessment in December 2007. Conducting the assessments nationwide will require coordination, especially among federal, state, local, and tribal governments, and the private sector. NPD officials said that performing nationwide assessments will be expensive and will require dedicated program support and funding.

The office with principal responsibility for the assessments has a small budget and no separate appropriation, and it did not receive the level of staffing requested. NPD has tried to leverage its funding by augmenting its own staff with working groups and contractors, and programs such as the DHS Science & Technology Centers of Excellence and the Homeland Security Institute. NPD officials said that their past progress was affected by:

- Not having all of the people involved with National Preparedness efforts in one place within the DHS organizational structure;
- Friction between FEMA and the former DHS Preparedness Directorate; and
- Disruption of their analytical resources.

The preparedness realignment prompted by the *Post-Katrina Act* has consolidated preparedness activities, and NPD officials said they believe they are now on the path to achieving unity of effort.

Enhance preparedness at all levels (Moderate) – NPD officials said that while there is a long history of recovery and response planning, the preparedness and protection mission areas are just being built, and these areas and their preparedness requirements are still being defined. The challenge is mostly cultural; for example, federal efforts focus primarily on planning for low probability but high consequence events, e.g., a catastrophic hurricane; while state, local, and tribal efforts tend to focus on events that are more probable but are usually not as damaging, e.g., local flooding or auto accidents. The National Response Framework (NRF) stresses the important balance between these two planning structures. NPD is currently revising a guide for state and local emergency planning, coordinating with core groups and other agencies to plan for a range of potential events.

The NRF, which is intended to guide all-hazards response, was issued on January 22, 2008, with an effective date of March 22, 2008. Officials said that in response to criticism that the first draft excluded stakeholders' concerns, the drafting process was made more inclusive. More than 4,000 individuals participated in briefings, conferences, and training; and hundreds of agencies and individuals provided suggestions for changes.

In working to enhance preparedness, NPD officials face both budget and staffing challenges. The directorate faces an approximately one-quarter vacancy rate, attributable to the temporary effect of realignment and significant workforce attrition. NPD officials said they have the necessary authorities and policies, but they lack the resources to get the job done.

Enhance community preparedness (Moderate) – Since 9/11, there has been increased recognition of the role citizens play in protecting the homeland and supporting first responders. After Hurricane Katrina, the White House recommended that “DHS should make citizen and community preparedness a National priority.”¹ Implementation of National Priority 8, “Community Preparedness: Strengthening Planning and Citizen Capabilities,” is the responsibility of the Community Preparedness Division (CPD) of the NPD. Three of CPD’s community preparedness initiatives are:

- Assessing and strengthening community preparedness;

¹ *The Federal Response to Katrina: Lessons Learned* (The White House, February 2006), p. 121.

- Leading strategic coordination and integration of community preparedness efforts; and
- Initiating partnerships for preparedness research.

A primary goal of CPD is to ensure that community preparedness is included in a consistent way in policy, guidance, training, and exercises. Officials said that while the inclusion of citizen preparedness as a National Priority was a significant step, this is an ongoing challenge that requires actively seeking out “points of cooperation” and educating DHS and FEMA staff on the significant value of community preparedness and planning.

Key to the effort of coordinating and integrating community preparedness efforts is the Citizen Corps program. Citizen Corps was launched in 2002 and has grown to include a nationwide network of over 2,300 state, territorial, tribal, and local Councils. CPD is tasked with coordinating the Citizen Corps initiative at the federal level. Specific efforts underway include developing and providing national guidance, tools, and training for Citizen Corps Councils to support community preparedness and resiliency; and strengthening the National Citizen Corps Council.

As with the other areas, budget and staffing affect the success of CPD’s efforts. The office is very small and has a very lean budget. Additionally, long delays in getting Office of Management and Budget (OMB) approval for data collection have hindered state and local data collection and research efforts.

Another challenge is that multiple offices within DHS have responsibility for elements of community preparedness and partnerships with non-governmental entities. Perhaps as an outgrowth of the previous separation of preparedness functions within DHS, other offices develop and support related preparedness education for individuals and preparedness planning activities for communities. For example, the *Ready* campaign² is coordinated by the DHS Office of Public Affairs, there is a Center for Faith-Based and Community Initiatives in FEMA, and a Private Sector Office in both FEMA and DHS. Some officials said it might be more effective to place the responsibility for all community preparedness and nongovernmental partnership efforts in a single office.

² According to a DHS Fact Sheet, *Ready*, a national public service advertising campaign launched in February 2003, is “designed to educate and empower Americans to prepare for and respond to emergencies including natural disasters and potential terrorist attacks. The goal of the campaign is to get the public involved and ultimately to increase the level of basic preparedness across the nation.”

Enhance preparedness for the management and resolution of catastrophic events (Moderate) – NPD officials discussed several planning efforts underway that will enhance preparedness for catastrophic events, including in the Gulf Coast, Florida, the New Madrid seismic zone, and Tier 1 Urban Areas. NPD is responsible for enhancing preparedness through catastrophic planning, but the Disaster Operations Directorate is carrying out the actual planning efforts, with input from FEMA’s Disaster Assistance and Mitigation Directorates. The Florida and New Madrid efforts are the largest of the initiatives. The Florida effort focuses on a catastrophic hurricane striking Southern Florida – a “notice” event; and the New Madrid effort plans for a catastrophic earthquake along the New Madrid fault – a “no-notice” event.

FEMA has made and is making significant progress. The primary problem, in our opinion, is that the planning efforts discussed above are very geocentric. For example, the Florida effort may put that state and region in a much better position should a hurricane strike, but if the next catastrophic hurricane hits some other major region along the Gulf or Atlantic coast, it will not be of much help. Disaster Operations officials said that the plans are not very transferrable among jurisdictions; however, they also said that these planning efforts can provide a foundation for additional planning.

Continuing Concerns

Planning is the foundation of FEMA’s preparedness efforts, yet budget and staffing shortfalls and continuing reorganizations across FEMA hamper progress. FEMA does not yet have a strategic plan guiding NPD efforts, which would help in prioritizing needs and ensuring that efforts are well-planned and executed.³ Additionally, the expense of conducting state assessments may prevent their completion.

Given that individual citizens’ preparedness can greatly enhance or hamper response, community preparedness planning should receive adequate funding and staff, and be better integrated into planning programs. Consideration should also be given to whether all community and individual preparedness programs should be coordinated by a single office in DHS or FEMA.

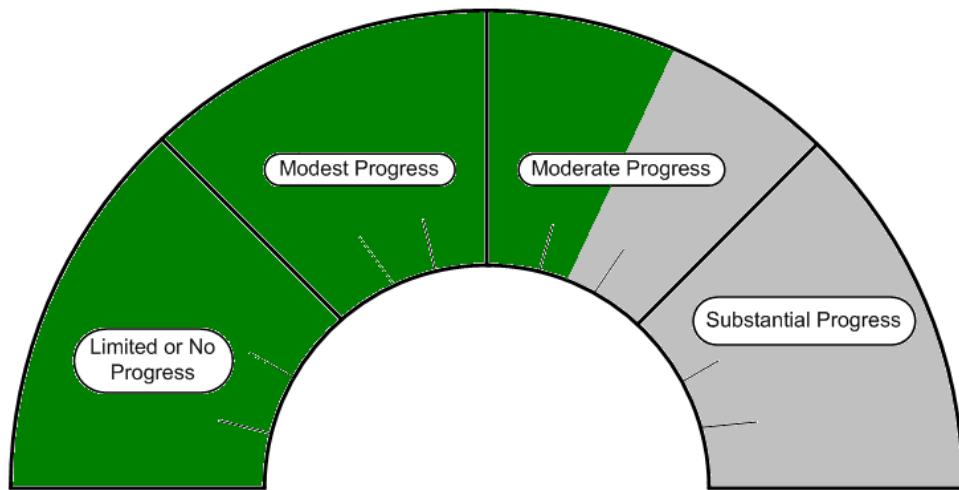
³ We received a draft document from DHS entitled “Integrated Planning System” (Draft Version 1.4) just prior to finalizing this report; however, it is labeled a “Pre-Decisional Working Paper” that is not yet finalized.

OIG Planned Work and Areas for Continuing Oversight

In 2008, we plan to review the development of FEMA's plans, policies, and procedures that will be used to prepare for, respond to, and recover from a disaster. This will include the ongoing development and implementation of the NRF and its annexes, efforts to enhance community preparedness, and further catastrophic planning.

For this and all other areas covered in the report, we are prepared to deploy to Joint Field Offices to provide independent and objective advice to FEMA officials and to identify, document, and review potential FEMA and state disaster management problems and issues.

Coordination and Support



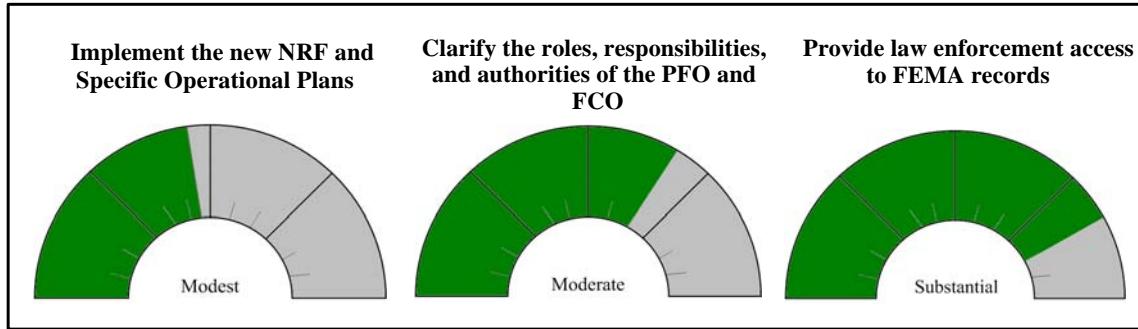
Background

Following the terrorist attacks of September 11, 2001, efforts were undertaken to develop a national planning framework for emergency management. The result of this effort was the creation of the National Response Plan (NRP). The purpose of the NRP was to establish a comprehensive, national, all-hazards approach to domestic incident management across a spectrum of activities including prevention, preparedness, response, and recovery. In May 2005, when DHS released the NRP, it superseded the Federal Response Plan, U.S. Government Domestic Terrorism Concept of Operations Plan, and Federal Radiological Emergency Response Plan.

In August 2005, the NRP was used in response to Hurricane Katrina, but it fell far short of the seamless, coordinated effort that had been envisioned at its creation. Problems ranging from poor coordination of federal support, to confusion about the roles and authorities of incident managers, to inadequate information sharing among responders all plagued the response to this catastrophic disaster. Of particular concern was confusion about the respective roles, responsibilities, and authorities of the Principal Federal Official (PFO) and the Federal Coordinating Officer (FCO).

To assess FEMA's readiness to respond to a future catastrophic disaster, we assessed efforts to:

- Implement the new NRF and Specific Operational Plans
- Clarify the roles, responsibilities, and authorities of the PFO and FCO
- Provide law enforcement access to FEMA records in support of Emergency Support Function - 13 (ESF-13), *Public Safety and Security*



Critical Components

Implement the new National Response Framework and Specific Operational Plans (Modest) – A revised NRP incorporating lessons learned from the 2005 hurricane season was released 9 months after Hurricane Katrina, with additional revisions issued several months later. In September 2006, DHS initiated another revision process of both the NRP and the National Incident Management System (NIMS). FEMA officials said they reviewed several thousand comments on the newly named *National Response Framework* prior to releasing it on January 22, 2008. However, FEMA's National Advisory Council was not established in time to have meaningful input into the development of the NRF.

As part of the National Preparedness Guidelines, DHS developed 15 National Planning Scenarios to establish the range of response requirements to facilitate preparedness planning. However, FEMA officials said that operational plans, which build on the National Planning Scenarios and govern the response to disasters, have not been finalized. FEMA officials told us the DHS Operations Coordination Directorate has responsibility for strategic level planning, whereas FEMA coordinates interagency and intergovernmental concept of operations (CONOPS) and operational planning. The NRF describes interoperability and collaboration as a critical aspect of successful response planning.

Clarify the roles, responsibilities, and authorities of the Principal Federal Official and Federal Coordinating Officer (Moderate) – According to the recently released NRF, the Secretary of Homeland Security is the PFO

responsible for management of domestic incidents, and the FEMA Administrator is the principal advisor to the President, the Secretary of Homeland Security, and the Homeland Security Council on all matters regarding emergency management. The Secretary may elect to designate a single individual to serve as PFO to ensure consistency of federal support as well as the overall effectiveness of the federal incident management. According to the NRF, for *Stafford Act* incidents, upon the recommendation of the FEMA Administrator and the Secretary of Homeland Security, the President appoints an FCO to coordinate federal support in response to and recovery from emergencies and major disasters.⁴ The FCO represents the FEMA Administrator in the field to discharge all FEMA responsibilities for response, recovery and mitigation programs.

FEMA officials said that they are confident the NRF clarifies the role of the PFO. FEMA said, "... the PFO, as the Secretary's personal representative, provides the Secretary with real-time situational awareness concerning the overall status of the incident, the involvement of Federal departments and agencies across all mission areas, and the level of coordination among senior Federal officials, and officials of state, local, territorial, and tribal governments, nongovernmental organizations, and the media. The PFO can make the Secretary aware of any coordination breakdowns that may require intervention by executive officials of federal departments and agencies, and assist in elevating issues of national priority or with national policy implications to interagency bodies charged with addressing those matters."⁵

While FEMA officials stressed their confidence in the PFO/FCO clarification, there has been little time to assess whether the clarification is well understood by emergency management practitioners and other stakeholders. It will take additional exercises or an actual disaster before we will know for certain whether the roles are sufficiently clarified and understood in the field.

Provide law enforcement access to FEMA records (Substantial) – Immediately after Hurricane Katrina, concerns were raised about data sharing between law enforcement agencies and FEMA. Months after Hurricane Katrina made landfall, DHS and the Department of Justice (DOJ) executed an agreement providing law enforcement officials direct access to FEMA disaster recovery assistance files for fraud investigations.

⁴ The provision of the *Stafford Act* regarding appointment of the FCO reads, "immediately upon his declaration of a major disaster or emergency, the President shall appoint a Federal coordinating officer to operate in the affected area."

⁵ Written response from FEMA's National Preparedness Directorate, received November 28, 2007.

In January 2007, DHS and DOJ executed an access agreement for the purpose of locating missing children displaced due to disasters. Recently, FEMA officials said that a third agreement was executed with the United States Marshals Service, which grants limited access to disaster assistance records for the purposes of locating sex offenders and apprehending fleeing felons in the aftermath of a disaster. FEMA said that establishing protocols, procedures, and processes with DOJ to improve data access and information sharing is 75% complete.

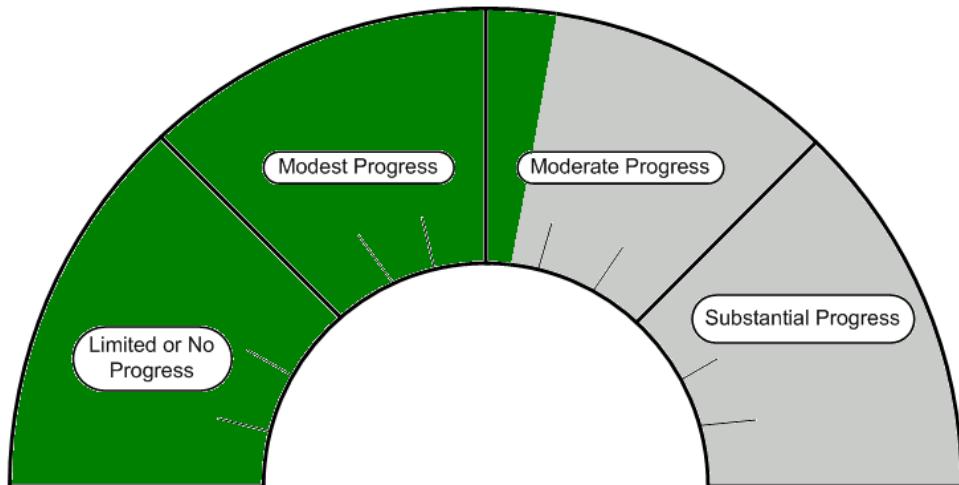
Continuing Concerns

The operational plans that govern the federal response to a disaster are incomplete or have not been adequately reviewed or tested. Also, a single planning system has not been finalized to ensure the integration of strategic, concept, and operational planning across all levels of national preparedness.

OIG Planned Work and Areas for Continuing Oversight

In FY 2008, we will continue to review FEMA readiness and assess its capabilities to respond to the next catastrophic disaster. We plan to determine to what extent FEMA has assessed its capabilities to respond to a catastrophic disaster and how it has used its readiness goals and performance measures in the process. We will also review FEMA's Remedial Action Management Program (RAMP) to determine to what extent FEMA is using RAMP to implement lessons learned from disasters and exercises, which will include a focus on communications and information sharing.

Interoperable Communications



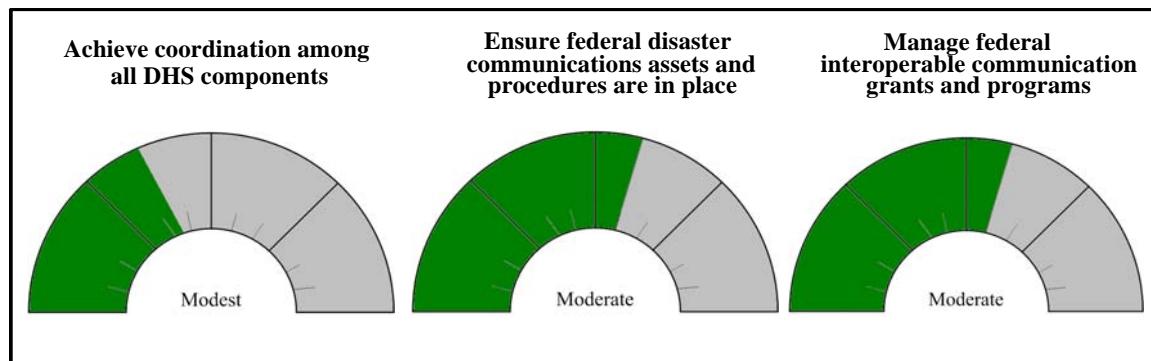
Background

Hurricane Katrina caused significant damages and outages to the entire telecommunications infrastructure in the Gulf region, seriously delaying reporting and coordination, and consequently affecting the efficiency and effectiveness of response efforts. Communication among those responding to a disaster is an essential element of a successful response and recovery effort, yet it is generally recognized that the inability to communicate effectively was one of the major impediments to Hurricane Katrina response efforts. The National Commission on Terrorist Attacks Upon the United States (9-11 Commission) had previously identified interoperable communications between emergency responders as a major challenge.

Subsequent to Hurricane Katrina, numerous reports and recommendations identified a wide range of necessary corrective actions related to interoperability, ranging from improved planning to coordination between all levels of government and the private sector to operational enhancements, such as technological improvements emphasizing wireless communications. The President's National Security Telecommunications Advisory Committee reported in January 2007 that interoperability challenges recognized after 9/11 and Hurricane Katrina included a lack of interoperable equipment at the tactical level, ineffective use of available communications assets caused by poor resource planning, and an overall lack of integrated command structures to enable interoperability.

Multiple components within DHS and FEMA have roles and responsibilities for improving interoperable communications, which is a vital element of disaster response. Also, the duties of the FEMA Administrator, as described in the NRF and *Post-Katrina Act*, include preparation for all-hazard incidents and helping ensure the acquisition of operable and interoperable communications capabilities by federal, state, local, and tribal governments and emergency response providers. We assessed the following critical areas:

- Achieve coordination among all DHS components charged with improving interoperable communications
- Ensure federal disaster communications and operating procedures are in place for disaster response and recovery
- Manage federal interoperable communication grants and programs



Critical Components

Achieve coordination among all DHS components charged with improving interoperable communications (Modest) – Actions taken by DHS to improve disaster response communications and interoperability involved a major reorganization of DHS components charged with advancing communications interoperability. DHS must achieve coordination among all its components, including FEMA, charged with improving interoperable communications, especially with respect to planning and establishing lines of authority, roles, and responsibilities, if success is to be achieved. However, currently there is no single entity to coordinate the ongoing interoperability activities and initiatives.

DHS established the Office of Emergency Communications (OEC) to support “the Secretary of Homeland Security in developing, implementing, and coordinating interoperable and operable communications for the emergency response community at all levels of

government.”⁶ OEC assumed three major programs from other DHS components:

- The wireless communications programs under the Integrated Wireless Network (IWN);
- The Interoperable Communications Technical Assistance Program (ICTAP); and
- Aspects of the SAFECOM⁷ program.

OEC’s goal is to better integrate DHS’ emergency communications planning, preparedness, protection, crisis management, and recovery capabilities, including attainment of interoperable and emergency communications nationwide.

The Command Control and Interoperability Division, within DHS’ Science and Technology Directorate, retained responsibilities for research and development, testing and evaluation, and standards for the SAFECOM program through the Office for Interoperability and Compatibility (OIC). Other programs for which OIC had responsibility were transferred to other DHS components. FEMA is responsible for administering interoperability grants and training. The overarching challenge is to achieve coordination among all of these programs and offices to foster advancement and avoid duplicating efforts.

The *Post-Katrina Act* required the development of a National Communications Baseline Assessment to identify needed capabilities of first responders, assess current capabilities, identify gaps and obstacles, and establish a national interoperable emergency communications inventory. OEC is currently conducting this assessment.

DHS officials told us the National Communications Baseline Assessment would provide the first comprehensive assessment of emergency communications capabilities, including operability and interoperability, across all levels of government. This assessment is intended to incorporate information from the federal perspective, to show the full scope and scale of interoperable emergency communications nationwide. The final assessment and recommendations are expected in May 2008 and will be used to develop the National Emergency Communications Plan.

⁶ http://www.dhs.gov/xabout/structure/gc_1189774174005.shtml.

⁷ SAFECOM is a DHS program to provide “research, development, testing and evaluation, guidance, tools, and templates on interoperable communications-related issues to local, tribal, state, and federal emergency response agencies” (<http://www.safecomprogram.gov/SAFECOM/>).

It is important to note that although technological improvements are important, cultural issues related to coordination and cooperation among emergency responders, and standard operating procedures and guidelines, are an equal or greater challenge.

FEMA is developing disaster emergency communications policies and procedures to facilitate effective emergency management, operability, and interoperability during catastrophic events. However, achieving effective coordination among all DHS components specifically charged with improving interoperable communications remains difficult. Each organization continues to operate independently within the limits of its own authorities established during the DHS reorganization. According to the *Post-Katrina Act*, the FEMA Administrator shall provide federal leadership necessary to prepare for, protect against, respond to, recover from, or mitigate against a natural disaster, act of terrorism, or other man-made disaster. However, FEMA officials said they need specific authority to coordinate with and direct DHS components providing emergency communications during disasters to achieve substantial progress in this critical area.

Ensure federal disaster communications assets and operating procedures are in place (Moderate) – FEMA officials said there is a renewed commitment to make emergency communications a core competency of the agency. The Disaster Operations Directorate is responsible for disaster interoperable communications, including tactical and operational functions, such as those provided by the Mobile Emergency Response Support (MERS). MERS provides mobile telecommunications, life and operational support, and power generation required for the onsite management of response activities. MERS capabilities are being enhanced to provide assistance to a wider geographic area and assist with the restoration of disaster area communications within 96 hours. It is anticipated that Incident Response Vehicles with expanded communications capabilities will be available in each of FEMA’s 10 regions. FEMA continues to work with state, local, and tribal entities on interoperability plans, available equipment, and multi-jurisdictional interoperability.

FEMA officials said that the agency has hosted or participated in a number of conferences and exercises to share technological resources and knowledge, and practice interoperability across the full spectrum of disaster response operations using deployable systems of partner organizations and first responders. FEMA also has created the Disaster Emergency Communications Division and intends to be an informed and

engaged advocate for disaster emergency communications issues and the communications needs of emergency responders.

Manage interoperable communication grants and programs (Moderate) – From FY 2003 through FY 2006, DHS awarded approximately \$2.9 billion in grants to enhance state and local interoperable communications efforts. An additional \$1 billion will be distributed through the Public Safety Interoperable Communication Grant Program.

There are no fewer than 10 federal interoperability initiatives underway.⁸ In light of the importance of interoperability and such large expenditures to strengthen it, the effective management of federal interoperability grants and programs is essential.

Continuing Concerns

A number of outstanding issues regarding interoperable communications need to be addressed. First, a number of DHS components have specific roles and responsibilities for improving interoperability, yet there is no single mechanism in place to link and orchestrate the numerous programs and initiatives underway, nor is there a clear line of accountability. Second, OEC is currently operating with a skeletal, full-time equivalent staff. OEC has assumed a large portion of responsibilities and programs directed at improving interoperable communications, and it requires additional staff and an adequate budget. Completion of the National Communications Baseline Assessment, incorporation of federal interoperability into SAFECOM, and the acquisition of additional MERS and Incident Response Vehicles are outstanding issues that need to be addressed before the next catastrophic disaster.

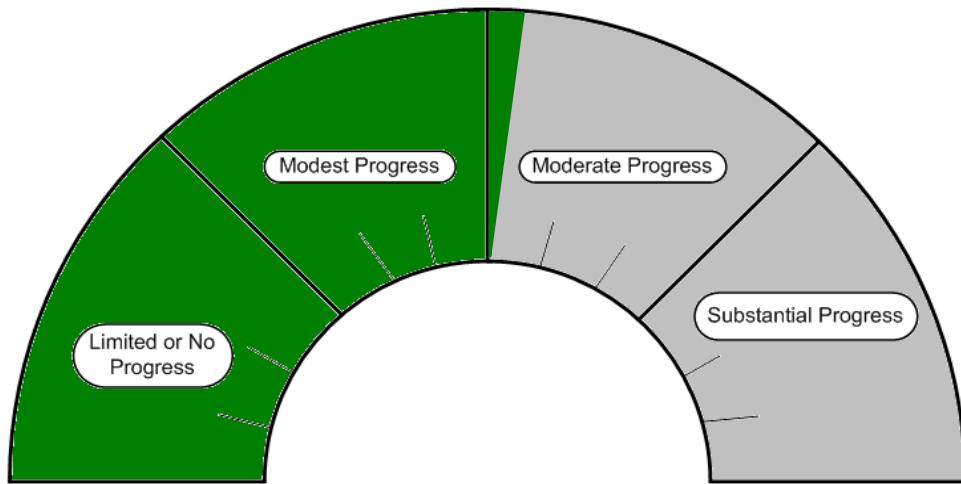
OIG Planned Work and Areas for Continuing Oversight

OIG will conduct an inspection to determine how effectively FEMA and the National Protection and Programs Directorate coordinate challenges with respect to overlapping or shared responsibilities. We also plan to review OneNet, a single network that DHS is deploying to support interoperability and data sharing, to determine DHS' progress in consolidating its networks onto OneNet to achieve operational efficiencies

⁸ Interoperability programs and initiatives include: Statewide Communications Interoperability Planning Methodology; Regional Communications Interoperability Pilots; RapidCom 1; Interoperability Continuum; SAFECOM Grant Guidance; Statement of Requirements for Emergency Response Communications; Public Safety Architecture Framework; Standards Acceleration for Interoperable Communications; Tactical Interoperable Communications Plans; Public Safety Interoperable Communication Grant Program; and, Emergency Support Function-2, *Communications*.

and cost savings. We initiated an audit in January 2008 to determine the extent to which FEMA effectively manages grant resources to provide sufficient financial and programmatic monitoring of all grants, including interoperability grants.

Logistics



Background

In April 2007, as part of the FEMA reorganization, logistics was elevated from a branch to a directorate-level program office – the Logistics Management Directorate. Logistics is the agency’s major program office responsible for logistics policy, guidance, standards, execution, and governance of logistics support, services, and operations. Its mission is to effectively plan, manage, and sustain the national logistics response and recovery operations, in support of domestic emergencies and special events. Logistics is organized around four core competencies:

- Logistics Operations;
- Logistics Plans and Exercises;
- Distribution Management; and
- Property Management.

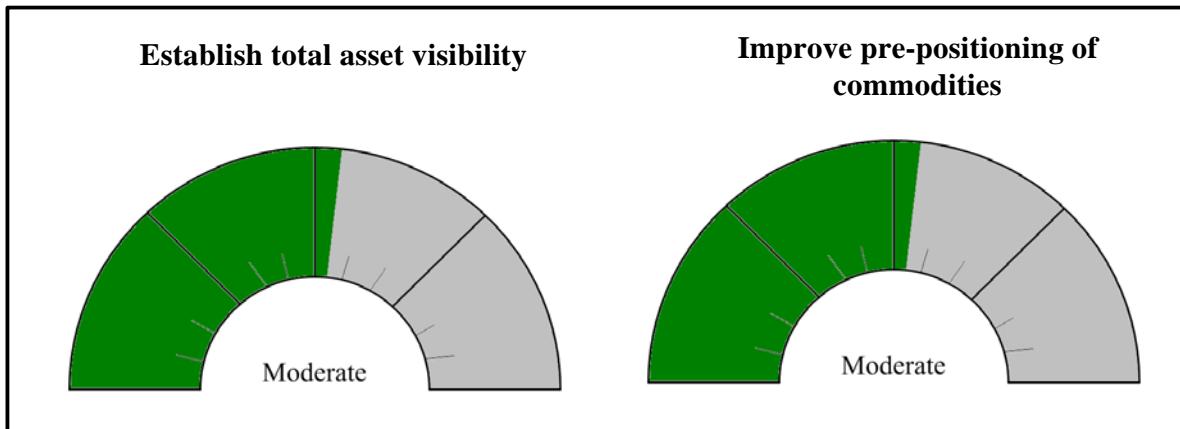
In times of domestic disasters, FEMA’s logistics responsibilities include acquiring, receiving, storing, shipping, tracking, sustaining, and recovering commodities, assets, and property.

Logistics’ ability to track commodities is one of the keys to fulfilling its mission. The disasters of 2004 and 2005 highlighted FEMA’s lack of standardized policies and procedures, as well as inconsistencies stemming from multiple, independent computer and paper-based systems that generated incompatible tracking numbers not readily crossed-referenced. During Hurricane Katrina, FEMA largely relied on the Logistics Information Management System (LIMS) for property management, and

manual spreadsheets and paper processes, telephones, faxes, and emails to track and gain visibility over commodities movements.

FEMA management is focused on improving the logistics core competencies to a level that will effectively and efficiently respond to a catastrophic disaster. We reviewed two critical areas to gain a sense of FEMA's progress in efforts to:

- Establish total asset visibility (TAV)
- Improve pre-positioning of commodities



Critical Components

Establish total asset visibility (Moderate) – After the 2004 hurricane season, FEMA recognized a need for an improved TAV program. At the time Hurricane Katrina struck, however, the TAV program was not fully tested. Prior to 2004, FEMA had invested in multiple systems to support its unique inventory needs, but they were not well integrated, often overlapping and duplicating efforts.

At the end of 2004, FEMA initiated the TAV concept and system, which incorporated an automated system to improve visibility via Global Positioning System (GPS) tracking technology, to give FEMA visibility over the supply chain from inventory to delivery. FEMA planned to roll out the pilot TAV system (Phase 1) in 2005, but this was delayed when Hurricane Katrina struck, and the roll-out did not occur until February 2006. Currently, the TAV system is able to track the movement of more than 200 types of assets and commodities, with a primary focus on the “Big 8” commodities: water, emergency meals (MREs), blue roof plastic sheeting, tarps, cots, blankets, temporary housing units, and emergency

generators. However, FEMA personnel said that there are many gaps in the system. The current TAV system capability integrates a suite of systems to provide order visibility, order management, and in-transit visibility. FEMA is using the TAV system at FEMA headquarters and all 10 regions, plus a warehouse management system at distribution centers in Atlanta, Georgia and Fort Worth, Texas.

FEMA personnel said that two of the primary challenges to improving the TAV system are retaining a sufficient amount of staffing and overcoming TAV user resistance from the field. Officials said that field resistance is being addressed by increasing communications throughout FEMA and by providing role-based training.⁹

Improve pre-positioning of commodities (Moderate) – The specific type and quantity of commodities and support assets that the public will need in the aftermath of a disaster or other incident varies, but emergency response experience indicates some common needs. These include water (usually bottled), MREs, cots, blankets, tarps, and emergency generators. Typically, state and local governments meet their initial citizens' needs for common commodities, but when state and local governments' capabilities are exceeded, the state may request FEMA's assistance. FEMA personnel said they did have supplies pre-positioned during the 2005 hurricane season, but the quantities were insufficient and delivery was not timely.

In preparation for the 2006 hurricane season, FEMA pre-deployed more than 1,000 tractor-trailers containing disaster response supplies to hurricane prone states. The pre-deployment was undertaken despite the knowledge that some supplies were at risk, especially perishable items stored in non-temperature-controlled trailers in extreme heat. After the 2006 hurricane season, Logistics reevaluated and modified its pre-positioning planning and strategy for the 2007 season. Logistics estimated that to pre-position commodities in the 11 hurricane prone states alone would cost \$357 million.¹⁰ FEMA has determined through in-depth analysis that pre-positioning commodities is not logically prudent nor an effective use of taxpayer funds. Instead, FEMA is increasing its emphasis on identifying alternatives for meeting support requirements in a timely manner by strengthening relationships with public and private sector partners such as the Defense Logistics Agency (DLA), U.S. Army Corps

⁹ In a separate audit being conducted by our office, auditors were told by FEMA field staff that "resistance" stems from the TAV system not meeting their functional requirements. Field staff said that they were optimistic about TAV and anxious to use it, but the system needs further development before it will perform as necessary without requiring augmentation from other systems.

¹⁰ This figure includes estimated costs for commodities in Regions I, II, III, IV, and VI, and transportation costs in Regions IV and VI.

of Engineers (USACE), American Red Cross, and General Services Administration (GSA). It has set a goal to support 1 million people and 20,000 federal responders within 72 hours of a “no-notice” event.

Interagency agreements are expected to provide FEMA with MREs, fuel, ice, medical supplies, water, cots, blankets, tarps, and heavy equipment.

In an effort to develop a more responsive, flexible, and sustainable supply chain management strategy, Logistics established a Distribution Management Strategy Working Group. The Working Group has begun to galvanize the national logistics response partner community and is developing and documenting an integrated national policy and strategy for managing and controlling inventory, strategic positioning, and distribution of critical commodities, resources, equipment and services. The Working Group will support Logistics as the National Logistics Coordinator (NLC), which will collaborate with other federal agencies such as GSA, Department of Defense (DOD), DLA, Department of Health and Human Services, USACE, and Department of Agriculture, in addition to public and private sector partners, nongovernmental organizations, and other stakeholders, ensuring a fully coordinated and effective service and support capability. A NLC kick-off forum is scheduled for the end of March 2008 to develop a mission statement, discuss ongoing logistics challenges, and form integrated working subgroups to identify and develop solutions.

Continuing Concerns

Logistics has made progress in a number of areas but still needs to develop standardized policies and procedures, effective internal controls, and sufficient funding and resources.

OIG Planned Work and Areas for Continuing Oversight

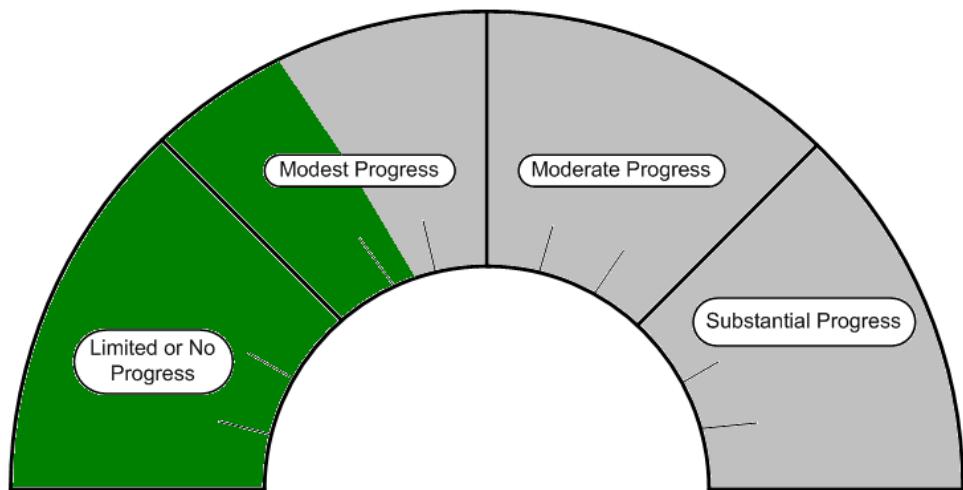
Our work plan for FY 2008 includes reviews on the extent of improvements made in logistics management since Hurricane Katrina and what additional changes are needed, including how FEMA will:

- Determine what is needed and where it is needed;
- Coordinate requirements with state and local governments;
- Coordinate with federal agencies and other response organizations;
- Identify the best sources for needed resources;
- Track deliveries;
- Maintain adequate logistics staffing;
- Communicate throughout the logistics process; and

- Evaluate and report on their performance.

We also are planning an audit to determine the effectiveness of FEMA's plans and approaches to reengineering its disaster-related logistics processes and improving the capabilities for supporting IT systems.

Evacuations



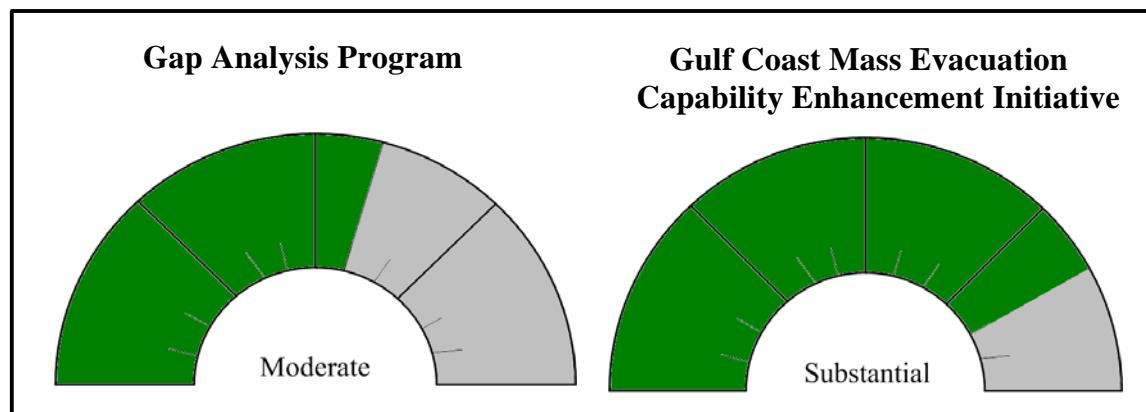
Background

Initial responsibility for the evacuation of individuals from disaster areas lies with state and local government. However, when state and local emergency management systems become overwhelmed, an affected state, through the authorities provided by the *Stafford Act*, may request assistance from FEMA. This assistance may include the reimbursement of costs incurred by the state or may include direct assistance such as providing buses, trains, and air ambulances for evacuation. In the aftermath of hurricanes Katrina and Rita, it became apparent the federal government might need to put resources into place proactively when state and local governments delay or are unable to request assistance. According to one FEMA official, the agency is now working to better position itself to provide “accelerated federal assistance” to respond to a disaster. FEMA is also working with state and local officials to identify shortcomings in existing evacuation plans and find ways to mitigate those shortcomings prior to a disaster.

There is no one office at FEMA responsible for federal evacuation planning and operational efforts. Responsibility spans several directorates, including Logistics, Disaster Operations, and Disaster Assistance, as well as the Office of Acquisition Management. For this reason, it was difficult to gain a clear picture of FEMA’s progress in preparing for a future disaster in the area of evacuations.

We gathered information on several specific planning initiatives underway in the area of evacuations. Catastrophic planning initiatives were discussed above in the section on Overall Planning. We also reviewed the following specific initiatives:

- Develop Gap Analysis Program (GAP)
- Enhance Gulf Coast Mass Evacuation Capability Enhancement Initiative



Critical Components

Develop Gap Analysis Program (Moderate) – GAP, which began in February 2007, focuses on gathering information needed to ensure operational readiness at the local, state, and federal levels. It serves as the starting point for planning efforts, beginning at the local level and working up through the states, to FEMA regions, and then to FEMA Headquarters entities. The first iteration of the GAP, conducted in 18 states, was completed in preparation for the 2007 hurricane season. It focused on seven critical areas where needs of citizens must be addressed in the first 72 hours after a disaster: mass evacuation, sheltering, interim housing, fuel distribution, commodities distribution, debris removal, and medical needs. Interoperable communications was considered for inclusion, but it was left out because this area is being covered by different assessment efforts. For the 2008 assessment, officials decided to drop interim housing since it is not actually necessary in the first 72 hours, and they added search and rescue.

While the first iteration of GAP was completed in time for the 2007 hurricane season, officials recognized that there might be inaccuracies in the data. FEMA officials said some states may have downplayed their assets and capabilities, thinking this would qualify them for additional federal funding. Other states may have overstated their assets and

capabilities, not wanting it known that they were not well prepared. Regardless of data accuracy, officials said they believe the GAP succeeded in prompting many state and local officials to think about their own response strategies and their expectations of assistance from other governmental entities.

Besides providing data on state and local capabilities, officials said GAP is helping to build trust between local, state, and federal partners. GAP is also helping officials at all levels of government to identify options, as well as manage expectations for what assistance other governmental entities will be able to provide to them. FEMA officials stated that, in the past, some states saw FEMA as a “department store,” in that they could expect to get what they needed, when they needed it. GAP gives FEMA officials a better idea of what preparations state and local governments have made, what assets they have, and where additional assistance might be needed. With needs identified, FEMA can tap into its interagency partners to arrange additional assistance.

Officials indicated that GAP is a high priority in the budget but, as with other initiatives, more money, people, and time are needed. A lack of funding, which results in a lack of staffing, has slowed down the completion of the first round of GAP analyses for all states. Officials said they have the authority they need to carry out the GAP analyses, but they expressed frustrations in the area of IT. They do not have a dedicated IT staff for GAP, and they have been told they must use in-house IT support even though they believe they could get better IT support, including better analysis tools, by using a contractor.

Enhance Gulf Coast Mass Evacuation Capability Enhancement Initiative (Substantial) – The Gulf Coast Mass Evacuation Capability Enhancement Initiative was a structured program, carried out between April 2007 and July 2007, that targeted the Gulf Coast region’s (excluding Florida) evacuation needs. Hurricane Katrina demonstrated a number of evacuation challenges, including ensuring adequate transportation for evacuees, ensuring other states’ willingness to accept evacuees, and coordinating resources, including buses and other modes of transportation, to ensure that localities were not relying on the same resources in their individual evacuation plans.

A FEMA team, comprising Region IV and Region VI personnel, and supplemented with contractors, worked with state officials in states that might need to evacuate citizens and in states that might be in a position to host evacuees, to determine where and how citizens would be moved. The goal was to develop an organized plan for evacuating states and to have

state-to-state agreements in place for transporting and sheltering evacuees. For example, Louisiana and Alabama came to agreement on how they would handle evacuees between the two states. An important by-product of the initiative was starting a dialogue with and between states to discuss their planning shortcomings and how states could help one another.

Since the initiative was a one-time planning effort that is now complete, the responsibility for continuing the planning process will fall to FEMA's regional offices. For planning to proceed from the FEMA Headquarters level, additional funding would be necessary. This initiative merits the rating of substantial progress; however, despite repeated requests, FEMA has not yet provided us with the final report, i.e., briefing slides, on this project. Consequently, we cannot opine with certainty that this initiative met its intended results.

Continuing Concerns

The two programs highlighted above have helped FEMA in assessing evacuation needs and enhancing evacuation planning. However, adequate funding for continuing evacuation planning is an issue. Additionally, because of the multiple offices and disciplines involved in evacuation planning, FEMA should establish a single entity to take "ownership" of overall evacuation planning and implementation.

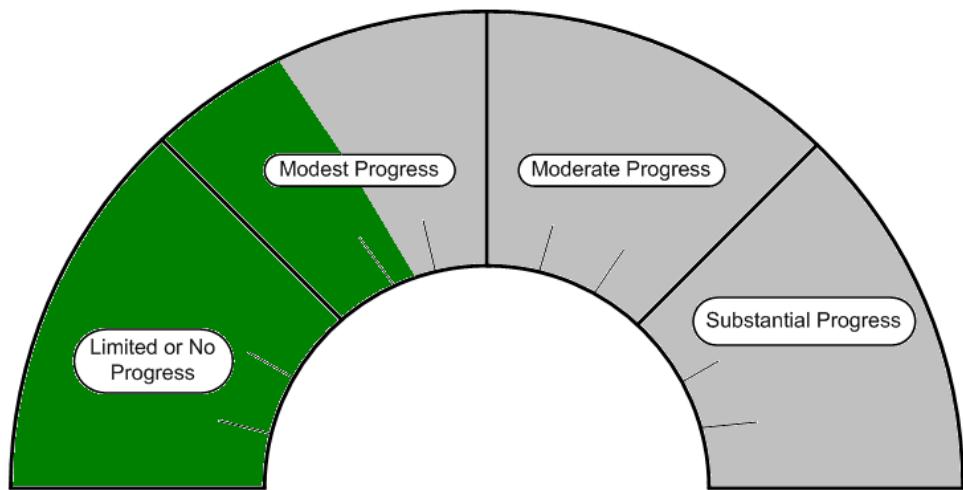
Of the FEMA officials we spoke with, only one senior leader articulated an overall strategy for coordinating federal evacuation efforts across directorates, but no documentation was provided to support this claim of coordination. FEMA provided the Mass Evacuation Incident Annex to the NRF, but this document is still in draft and has not been finalized. Recognizing the span of responsibility across directorates/offices, FEMA needs an overarching strategic plan if federal evacuation efforts are to be successful.

OIG Planned Work and Areas for Continuing Oversight

We plan to continue to review FEMA's evacuation policies, plans, and procedures as they are developed. Of particular interest will be the final version of the Mass Evacuation Incident Annex to the NRF and the evacuee tracking system being developed. We plan to review FEMA's:

- Plans for mass care operations;
- Development of a new National Sheltering System; and
- Coordination plans for mass evacuations.

Housing



Background

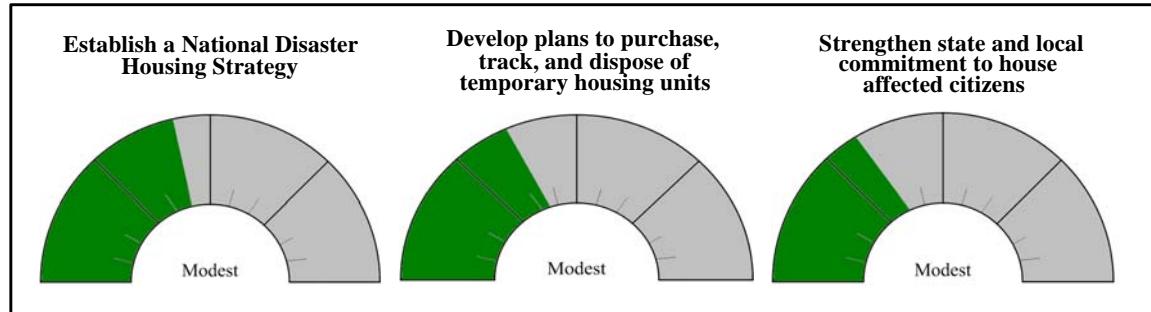
After a Presidential disaster declaration, FEMA leads the federal response by coordinating federal resources to support local, tribal, and state governments and voluntary agencies in providing housing to those displaced by a disaster. One of the major criticisms of FEMA after Hurricane Katrina focused on FEMA's inability to provide immediate, short-term housing assistance to evacuees, and then transition those still in need to more permanent forms of housing.

In any major disaster, such as Hurricane Katrina, the availability of hotels, motels, and other rental units for disaster victims within a reasonable commute is very limited due to damage to these facilities and the need to house victims, as well as recovery workers. Housing assistance for disaster victims may include factory-built, semi-permanent, or permanent construction housing,¹¹ including handicapped-accessible housing; rental, repair, or replacement assistance; loan assistance; and referrals and access to other sources of housing assistance. According to FEMA, the National Disaster Housing Strategy (NDHS) will help guide future disaster housing assistance, but during the time of our review this document was still in draft.

We reviewed three critical components to assess FEMA's progress in efforts to:

¹¹ The *Post-Katrina Act* allows for semi-permanent and permanent construction.

- Establish a National Disaster Housing Strategy
- Develop plans to purchase, track, and dispose of temporary housing units
- Strengthen state and local commitment to house affected citizens



Critical Components

Establish a National Disaster Housing Strategy (Modest) – When Hurricane Katrina struck the Gulf Coast region, there were not adequate plans in place at the federal, state, or local level to deal with the unprecedented movement of displaced evacuees or to provide sheltering or transitional housing on the scale required after this catastrophic disaster. According to FEMA officials, FEMA began assisting states in catastrophic disaster planning in 1998, but did not follow through with the effort due to a lack of sufficient funding at both the federal and state levels. Furthermore, the NRP, which guided the response to Hurricane Katrina, did not explicitly address catastrophic disaster housing plans.

The *Post-Katrina Act* requires FEMA to develop, coordinate, and maintain an NDHS. According to FEMA, the NDHS, which is intended to complement and support the NRF, will convey national guidance, operating principles, and a vision for public (federal, state, tribal, local), private, and nonprofit cooperation in providing disaster-housing assistance. It will also define the roles, programs, authorities, and responsibilities of all entities involved, detailing shared responsibilities and emphasizing the cooperative efforts required to provide disaster-housing assistance. While catastrophic housing is to be addressed by the NDHS, FEMA officials said that there is a lack of adequate funding and resources to test the strategy once it has been finalized.

At the time of our review, the draft NDHS was still being reviewed, coordinated, and refined among FEMA and its interagency partners. The lack of a comprehensive disaster housing strategy could have a significant

impact on FEMA's ability to meet housing needs for disaster victims in a future catastrophic disaster.

Develop plans to purchase, track, and dispose of temporary housing units (Modest) – FEMA has traditionally relied primarily on two housing options for evacuees: rental units and manufactured housing (mobile homes and travel trailers). Despite having purchased thousands of temporary housing units in the past 2 years, FEMA still lacks clear plans on how to speedily put these units in place to house evacuees. FEMA officials said that they are now attempting to take specific corrective actions to improve how they use their housing options.¹²

Under FEMA's Recovery (Interim) Policy 1003, FEMA will establish an annual baseline inventory for fully mission-capable temporary housing units, including travel trailers and mobile homes. This policy will guide FEMA in maintaining a sufficient inventory of temporary housing units to meet an immediate demand after a declared disaster. For calendar year 2007, the inventory baseline was set at 13,500 units. The inventory levels are to be adjusted annually. In FY 2008, it is FEMA's goal to have three to five indefinite delivery/indefinite quantity contracts in place for commercial production of housing units. These units will be built based on FEMA's specifications and standards, and will include units that comply with Uniform Federal Accessibility Standards for people with disabilities. FEMA's new specifications for housing units are intended to ensure that new units are designed and constructed to emit limited levels of formaldehyde that are well below industry and Department of Housing and Urban Development (HUD) standards, and units will be tested to ensure they meet these specifications.¹³

FEMA officials said they are continuing to make improvements to the Individual Assistance Technical Assistance Contracts (IA-TAC), which are used when needed to support FEMA's housing mission after a disaster. FEMA's goal for the most recent IA-TAC contracts is to have a more comprehensive pre-disaster contract in place that will better address accountability, quality assurance, and tracking. FEMA officials said there is much work to be done in developing pre-disaster contracts for procurement of housing units and in developing an agency-wide strategy

¹² During our review, the Centers for Disease Control and Prevention and FEMA released the preliminary results of the testing for formaldehyde in travel trailers and mobile homes. The results indicate that unacceptable levels of formaldehyde were detected in both types of units. The FEMA Administrator stated "We [FEMA] will not ever use trailers again." We plan to review FEMA's current use of travel trailers and mobile homes, as well as their progress in developing alternative strategies for housing evacuees.

¹³ Due to the recent developments on mobile homes and travel trailers, FEMA may modify this housing policy.

for disposing of housing units. Logistics currently expends significant resources storing units that may never be used again because there is no clear disposition strategy in place.

FEMA's Joint Housing Solutions Group has been actively working to review and assess new, innovative forms of temporary alternative housing, to determine whether any can be used to assist in a catastrophic disaster environment.

Strengthen state and local commitment to house affected citizens (Modest)

In the wake of Hurricane Katrina, a number of local communities were very reluctant, or even directly refused, to accept FEMA mobile home and travel trailer group sites in their communities. In some cases, state or local governments agreed to temporary housing sites, but then reversed their decision after housing installation had begun. Each time this happened, FEMA was further delayed in housing disaster victims and incurred additional costs.

FEMA's current Mass Sheltering and Housing Assistance strategy to support catastrophic housing needs starts with exploiting all available existing rental or vacant household dwellings in the affected area, then expanding outward into other jurisdictions or states. FEMA, in conjunction with HUD, is developing a HUD-FEMA Housing Portal. This portal will provide housing information in a consolidated format accessible to disaster victims and FEMA housing staff to assist individuals and families in finding rental housing following a Presidential declared disaster. However, FEMA still lacks some of the resources necessary to successfully and expediently execute the strategy, and many states have restricted the number of out-of-state evacuees they are willing to accept, potentially restricting access to otherwise available housing units. FEMA housing officials said that the absence of universal acceptance by state and local governments for contingency housing missions will inhibit an optimal response.

Continuing Concerns

While FEMA is striving to improve its disaster housing assistance strategy and coordination, it needs to develop and test new and innovative catastrophic disaster housing plans to deal with large-scale displacement of citizens for extended periods. Traditional housing programs for non-traditional disaster events have been shown to be inefficient, ineffective, and costly. The FEMA Administrator has stated that FEMA will never use trailers again. This raises concerns about how FEMA plans to

temporarily house disaster victims for future disasters when hotels, motels, and other rental units are often unavailable due to damage.

In July 2007, FEMA entered into an interagency agreement with HUD to administer the Disaster Housing Assistance Program (DHAP). The DHAP provides temporary housing assistance, by means of a monthly rent subsidy, to eligible families displaced by hurricanes Katrina and Rita. Under the interagency agreement, HUD will act as the servicing agent for this program. FEMA needs to carefully monitor the services provided by HUD and the costs associated with them.

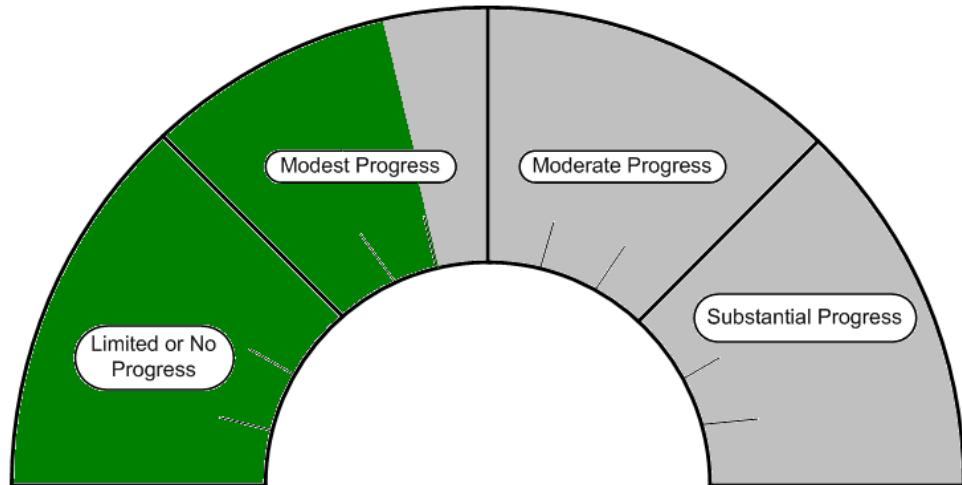
FEMA needs to improve communications with state and local governments and other agencies with respect to disaster housing assistance, particularly with respect to what assistance FEMA can be expected to provide after a disaster. FEMA also needs to improve the program guidance for state and local governments.

OIG Planned Work and Areas for Continuing Oversight

We are currently reviewing how well FEMA is managing its housing program transition efforts, what role other federal agencies should have in transitional housing, and whether FEMA has devised a road map for transitioning disaster victims from transitional housing sites to more permanent types of housing. We also are concluding a review that examined to what extent FEMA's transitional housing program met the needs of hurricane victims.

Additionally, we plan reviews of other FEMA housing-related activities, such as strategies for addressing persistent transitional housing issues, to what extent FEMA is using its Remedial Action Management Program to implement lessons learned from Hurricane Katrina and other disasters, the efficacy of the Emergency Housing Unit Program, and duplication of benefits under the disaster housing home repair grant assistance program.

Disaster Workforce



Background

The need for a trained, effective disaster workforce is one issue mentioned consistently in reports regarding FEMA's response to Hurricane Katrina. FEMA's disaster workforce consists mainly of reservists who serve temporarily during a disaster with no employee benefits. FEMA struggled to provide adequate numbers of staff in response to Hurricane Katrina and did not have the automated support needed to deploy over 5,000 disaster personnel on short notice. New hires did not receive adequate training during FEMA's accelerated orientation process, and FEMA lacked a central training records management system. The shortage of qualified staff for key positions responding to Hurricane Katrina negatively impacted the effectiveness of FEMA's response and recovery operation.

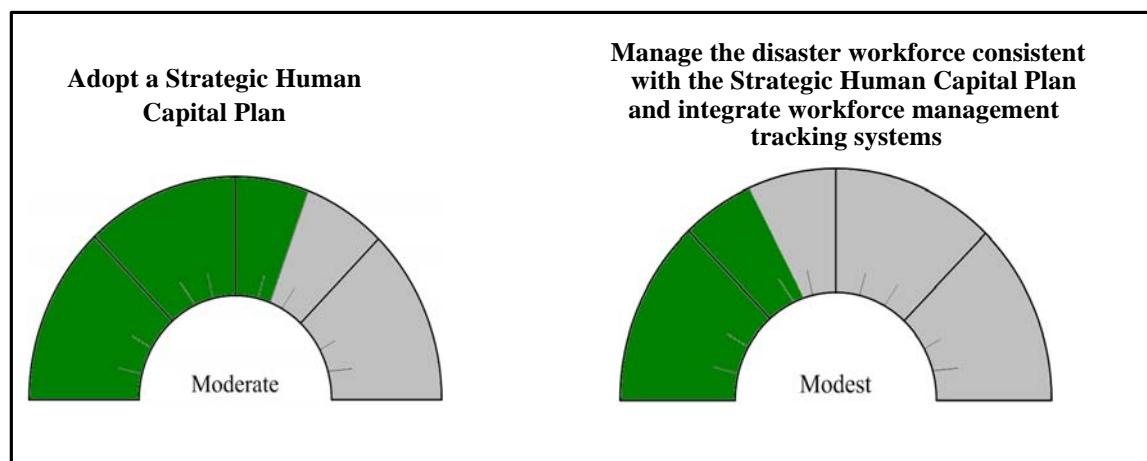
The *Post-Katrina Act* provides for the rebuilding of FEMA's permanent and reserve workforces through tools such as a strategic human capital plan, structured career paths, and recruitment and retention bonuses. The *Post-Katrina Act* also requires a plan to establish and implement a surge workforce, including an adequate number of properly trained personnel to meet specific response-team capabilities.

As FEMA and DHS have evolved, the disaster workforce structure and systems have not kept pace. Since 1992, FEMA has initiated 12 studies to look at the use and structure of its disaster workforce; however, FEMA

has not implemented the recommendations from any of those studies. In FY 2006, FEMA obligated over \$2 million for another examination of its disaster workforce, to remedy problems in three major areas: workforce structure, automated workforce management systems, and training and credentialing. This initiative resulted in a report entitled “FEMA: A New Disaster Reserve Workforce Model,” dated September 30, 2007. FEMA is in the planning stages of implementing recommendations from this study.

We reviewed two critical areas identified as weaknesses after Hurricane Katrina to assess FEMA’s efforts to:

- Adopt a Strategic Human Capital Plan, including specific strategies for the development of a surge capacity disaster workforce
- Manage the disaster workforce consistent with the Strategic Human Capital Plan and integrate workforce management tracking systems to deploy, train, and credential disaster workforce employees



Critical Components

Adopt a Strategic Human Capital Plan, including specific strategies for the development of a surge capacity disaster workforce (Moderate) – FEMA has been criticized by both GAO and our office for not having a Strategic Human Capital Plan (SHCP). FEMA outsourced the preparation of this plan and expected to deliver it to Congress in December 2007. FEMA officials said that the disaster surge workforce capacity planning requirements of the *Post-Katrina Act* will be addressed through the work of a separate contractor. To its credit, FEMA met its goal of increasing permanent, full-time staff to 95% of allowed on-board level by June 2007, hired a new Human Capital Director and Deputy Director, and began a project to optimize the Human Capital Division. However, more work

remains, including finalizing the SHCP and ensuring that newly hired staff are fully trained.

Manage the disaster workforce consistent with the Strategic Human Capital Plan and integrate workforce management tracking systems (Modest) – In December 2006, FEMA hired a contractor to develop a new disaster reserve workforce model to support FEMA’s vision of being the Nation’s preeminent emergency management agency. The contractor’s report, entitled “FEMA: A New Disaster Reserve Workforce Model,” makes recommendations for structuring the disaster workforce and lays out a roadmap for accomplishing the recommendations. One significant recommendation is to establish a director-level office, the FEMA Office of Reserves, to improve the effectiveness and efficiency of professional operations and to drive integrated efforts from an agency-wide perspective. The study also discusses realigning and reducing FEMA’s disaster cadres from 23 to 9.

The study recommends:

- Establishing clear lines of authority and responsibility within a new Office of Reserves;
- Providing employee benefits to disaster workforce reservists;
- Increasing training and credentialing funds; and
- Creating consolidated systems to track the deployment and training of the disaster workforce.

FEMA has assigned a Project Management Officer to determine the feasibility of implementing these and other recommendations, including establishing a FEMA Office of Reserves.

Most of these recommendations are not new. FEMA has historically been slow to implement effective change for its disaster workforce. FEMA has already studied this problem 12 times but did not implement recommendations from any of the previous studies. FEMA said that a lack of funding is the reason for its inability to implement previous recommendations.

Continuing Concerns

FEMA has not taken advantage of two relatively quiet hurricane seasons since Hurricane Katrina to make needed changes to its Disaster Workforce. FEMA reports that it does not have the budget, staffing, policies, authorities, or IT needed to implement the corrective actions. Indeed, if the sweeping disaster workforce changes recommended a

number of times by Congress, GAO, our office, and FEMA contractors are to be made, adequate funding must be provided to ensure the success of recommended actions. Some of the recommended changes also will require legislative action to amend the *Stafford Act*.

FEMA has not completed 18 of the 36 corrective actions (50%) that it agreed to take in response to disaster workforce-related recommendations in our FY 2006 report, “A Performance Review of FEMA’s Disaster Management Activities in Response to Hurricane Katrina.” All but one of the incomplete actions originally had target completion dates before June 2007.

FEMA also has not completed or could not verify the completion of six of nine workforce-related actions required by the *Post-Katrina Act*. The six incomplete or unconfirmed actions are:

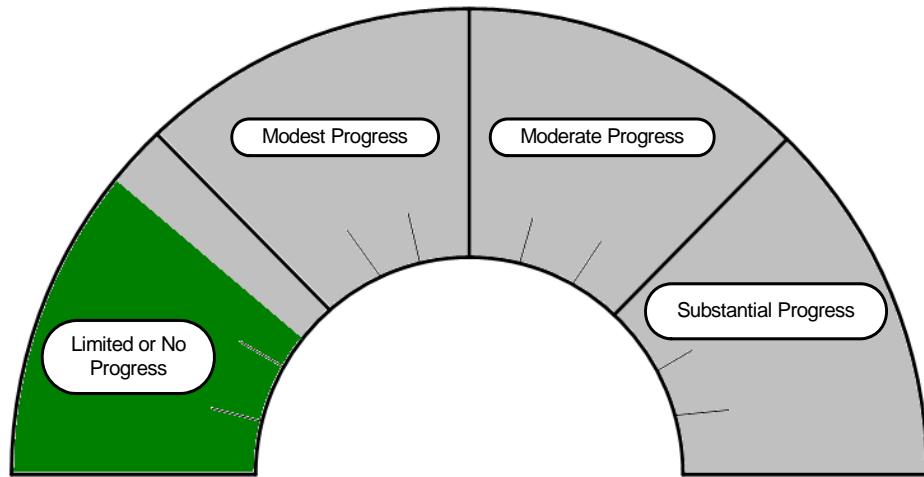
- Developing a Strategic Human Capital Plan;
- Establishing career paths;
- Conferring with state, local, and tribal government officials when selecting Regional Administrators;
- Training regional strike teams as a unit and equipping and staffing these teams;
- Implementing a surge force capacity plan; and
- Providing a report describing progress towards integrating LIMS, the Automated Deployment Database, and the National Emergency Management Information System.

The congressionally mandated due dates for these actions ranged from March 2007 through July 2007.

OIG Planned Work and Areas for Continuing Oversight

We are currently completing work on a follow-up audit of six disaster workforce-related recommendations in our FY 2006 report, “A Performance Review of FEMA’s Disaster Management Activities in Response to Hurricane Katrina.” This audit also includes an evaluation of FEMA’s progress in complying with the disaster workforce-related requirements in the *Post-Katrina Act*.

Mission Assignments



Background

FEMA is responsible for coordinating the urgent, short-term emergency deployment of federal resources to address immediate threats and for stewardship of the associated expenditures from the Disaster Relief Fund. FEMA uses mission assignments (MA) to request disaster response support from other federal agencies. Past audits and reviews regarding MAs have concluded that FEMA's management controls were generally not adequate to ensure:

- Deliverables (missions tasked) met requirements;
- Costs were reasonable;
- Invoices were accurate;
- Federal property and equipment were adequately accounted for or managed; and
- FEMA's interests were protected.

MA policies, procedures, training, staffing, and funding have never been fully addressed by FEMA, creating misunderstandings among federal agencies concerning operational and fiduciary responsibilities. FEMA guidelines regarding the MA process, from issuance of an assignment through execution and close-out, are vague.

In early 2006, FEMA began working with DOD and other federal agencies to improve the MA process and also launched an interagency MA training program. The Emergency Management Institute (EMI) offers an MA

orientation course and an introductory course on MA processing, and is currently developing an online independent study course that presents an overview of the MA process.

In November 2007, FEMA initiated an ambitious project to re-engineer the processes, relationships, and resources involved in managing MAs. Reflecting upon lessons learned from Hurricane Dean, the California wildfires, and TOPOFF-4,¹⁴ FEMA's Disaster Operations Directorate formed an intra/interagency Mission Assignment Working Group (MAWG) to review MA processes and procedures and develop recommendations for the management of MAs. The effort focused on meeting the goals of FEMA's FY 2008-2013 Strategic Plan issued in draft in November 2007, complying with congressional mandates, and responding to various audits and studies. It is anticipated that the review, development, and implementation of these improvements will be completed by June 2008.

We reviewed three critical components to assess FEMA's efforts to:

- Improve guidance for mission assignments, i.e., regulations, policies, and operating procedures
- Improve staffing and training
- Enhance management of mission assignments



Critical Components

Improve guidance for mission assignments, i.e., regulations, policies, and operating procedures (Modest) – The MAWG's Strategic Plan identifies the goal of having new policies, procedures, training materials, and

¹⁴ Top Officials (TOPOFF) is the nation's premier terrorism preparedness exercise, involving top officials at every level of government, as well as representatives from the international community and private sector.

recommended revisions to federal regulations and possibly legislation completed by the beginning of hurricane season 2008. The MAWG has focused much of its attention on pre-scripted MAs, which are essentially mission assignment templates that are used to facilitate planning for certain repetitive response activities, and to reduce the time it takes to deploy federal resources. Pre-scripted MAs describe other federal agencies' resources or capabilities that are commonly called upon during an incident response. They are intended to facilitate a more rapid delivery of the types of federal assistance frequently requested.

FEMA officials said there are 223 pre-scripted MAs under development and listed in the operational working draft of the "Pre-Scripted Mission Assignment Catalogue," which FEMA intends to publish by June 2008. FEMA has developed a standard operating procedures (SOP) manual for MAs that outlines the policies, procedures, and processes that FEMA uses to collaborate with other federal agencies and organizations when responding to disasters and intends to release an updated draft of this manual in March 2008.

Overall, the process for developing pre-scripted MAs is well-established now and ready for use in future incidents. FEMA plans to post approved pre-scripted MAs to the Homeland Security Information Network (HSIN) to increase interagency coordination and real-time situational awareness. However, these pre-scripted MAs are only one of an assortment of tools for conducting response operations and do not, by themselves, provide a complete picture of FEMA's readiness to carry out mission assignments. Additionally, our audit of HSIN disclosed that this network is not used extensively by those in the emergency management community and may not be the best avenue to make other federal agencies aware of pre-scripted MAs.¹⁵

Improve staffing and training (Limited) – FEMA senior management seems to recognize the considerable interaction and collaboration that the MA process requires to ensure that the process works for all players, not merely FEMA. It is essential to incorporate *all* aspects and resources of the process. This includes the people who administer the process, the processes used to deliver assistance, the governing policies, and the performance necessary to ensure that expectations are realized and missions accomplished effectively.

The most substantial MAWG recommendation concerned the establishment of and investment in MAs as a program area rather than a

¹⁵ *Homeland Security Information Network Could Support Information Sharing More Effectively* (OIG-06-38, June 2006).

collateral functional process or duty that only comes into play during an incident response. The MAWG participants see development of an MA program office, with dedicated full-time staff and management team, pre-established budget, and officially delegated authorities and responsibilities, as the best chance for substantial improvement in all aspects of the MA process.

Effective incident response also hinges on leaders and on-scene operators who are trained and prepared to act. During a crisis, there is little time to determine staff qualifications, and it is vital that qualifications be pre-identified and appropriately aligned with the incident. According to the MAWG's Strategic Plan, FEMA intends to develop a schedule of appropriate training by March 2008, which will be conducted through June 2008. The MAWG also plans to identify a cadre of MA managers and will introduce a credentialing program.

Enhance management of mission assignments (Limited) – Managing and accounting for MA resources is crucial to the management of the federal response to an incident. The current MA data collection/information system, Enterprise Coordination and Approvals Processing System (eCAPS), was designed with a focus on the administrative aspects of documenting, approving, and reporting on MAs, rather than tracking the actual work requested and performed, or on the status and outcomes of missions assigned. New processes developed by the MAWG will need to be reflected in updated information systems. Modifications to the eCAPS system have recently begun that provide more user-friendly features, and provide a better audit trail with improved search capabilities, thereby reducing the likelihood of MA duplications resulting from manual processes.

Continuing Concerns

Support from FEMA management will be required to implement the MAWG's Strategic Plan, which calls for an infrastructure overhaul of the MA process. A significant investment of resources – personnel, training, time, and budget – will be required to begin the re-engineering efforts. After the revised infrastructure has been put into place, an MA program office will need resources to sustain the effort.

OIG Planned Work and Areas for Continuing Oversight

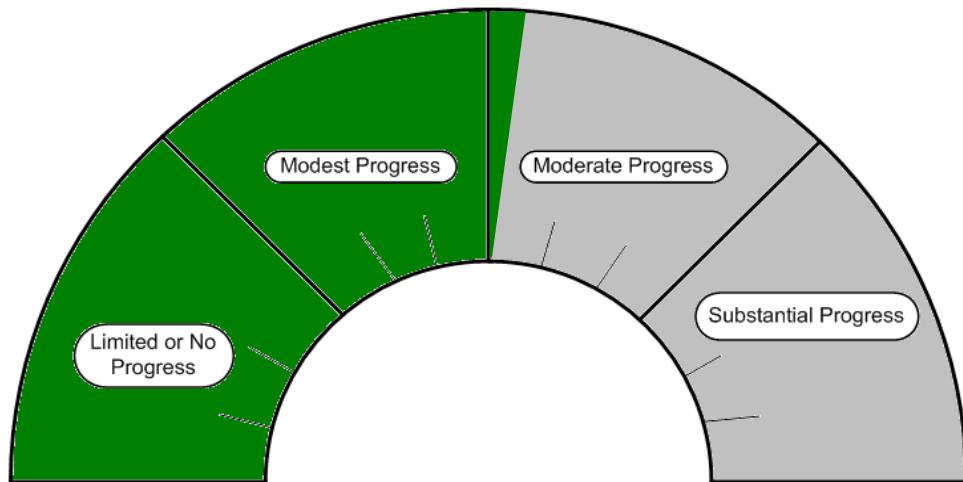
We are planning to audit FEMA's management of MAs to determine to what extent FEMA is:

- Establishing MA requirements and identifying appropriate capabilities to fulfill those assignments;
- Coordinating and monitoring the implementation of MAs;
- Ensuring that MA expenditures are verified and that procured property is accounted for; and
- Closing MAs in a timely manner.

We will continue to collaborate with FEMA's Disaster Operations Directorate staff and the interagency MAWG in a consultative role to provide independent and objective guidance and oversight in implementing the revamped operations and infrastructure as recommended in their Strategic Plan.

Our FY 2008 work plan also leaves room to provide audit resources, as needed, to assess the MA process as it is being carried out in future disasters. We will also continue to work jointly with other agencies' OIGs to audit and assess interagency use of, and accountability over, MAs.

Acquisition Management



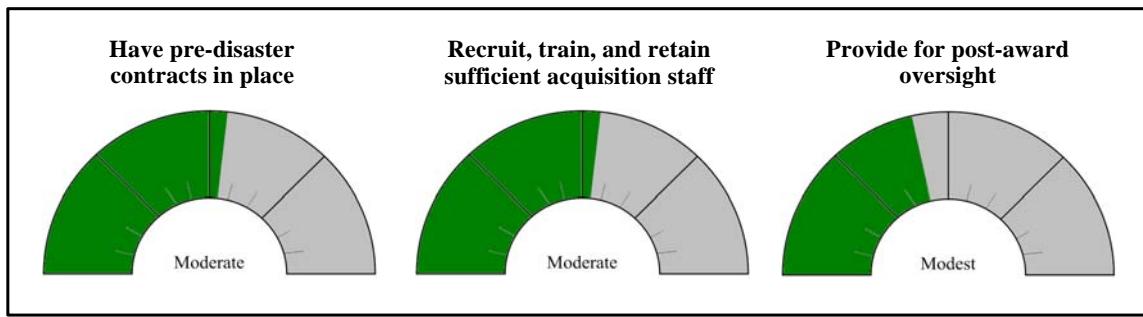
Background

Acquisition management is more than awarding a contract, it is the entire process that begins with identifying and clarifying a mission need and ends with the final close-out of an award. When good acquisition management is not in place, response capabilities are weakened, taxpayer money is often wasted, and the public's trust in the government falls.

FEMA's acquisition function was heavily tasked in responding to hurricanes Katrina and Rita and suffered from several shortcomings. These shortcomings included a lack of pre-existing preparedness contracts; untrained staff; and poor planning for post-award monitoring and oversight.

Post-Katrina, FEMA management has focused on developing the acquisition function to a level that can effectively and efficiently respond to another catastrophic disaster. To assess FEMA's progress in this area, we reviewed the following three critical components:

- Have pre-disaster contracts in place
- Recruit, train, and retain sufficient acquisition staff
- Provide for post-award oversight



Critical Components

Have pre-disaster contracts in place (Moderate) – Prior to Hurricane Katrina, FEMA had few contracts in place to be used at the time of a disaster. By awarding preparedness contracts prior to a disaster, FEMA has the time to run a full and open competition in order to ensure the best value to the government. Without pre-disaster contracts in place, FEMA is forced to award contracts on a non-competitive basis or to lesser-qualified vendors in order to support a prompt response after the disaster occurs.

FEMA’s Office of Acquisition Management (OAM) has awarded approximately 27 pre-disaster response contracts, up from the 9 pre-disaster contracts in place before Hurricane Katrina struck. Additionally, approximately 70 recovery contracts have been awarded. OAM officials said that they used extensive market research, negotiation, and competition to award these contracts, which will provide goods and services traditionally needed in a disaster and not fully provided by state and local governments. FEMA has also signed a number of pre-disaster Interagency Agreements with other federal agencies, which will allow FEMA to use the contracts of these federal partners. OAM officials said that all FCOs now have a list of these pre-disaster agreements in a “disaster response contract toolbox.” However, OAM only recently provided us a list of those contracts despite our repeated requests. Consequently, we have not had the opportunity to review them and opine on their utility for FCOs in a disaster environment.

OAM has also created an Acquisition Program & Planning (AP&P) branch, which will function as the primary link between acquisitions and the program areas that generate requirements, to assist with pre-disaster contracts.

Recruit, train, and retain sufficient acquisition staff (Moderate) – When Hurricane Katrina struck, FEMA had just 35 contracting staff in place.

Since Hurricane Katrina, this number has grown to 162 positions authorized, with 136 positions filled. OAM has expanded its policy office and is upgrading its contract writing system. Additionally, FEMA has updated its “Emergency Acquisition Field Guide,” which is designed to define the critical elements of an emergency acquisition in plain language so that any member of the disaster support team can understand and apply proper procedures.

FEMA reports significantly increasing staffing of both Contracting Officer’s Technical Representatives (COTR) and Contracting Officers. FEMA has established a COTR Program Management Office “to ensure COTRs have the training, support, and tools needed for effective contract administration.” To date, more than 700 program officials have trained and been certified as COTRs.

OAM also reports building their training initiatives to ensure contracting staff have the necessary skills for their positions. The office has worked with the Defense Acquisition University and the Federal Acquisition Institute to ensure that OAM staff complete the courses necessary to meet qualifications requirements.

Provide for post-award oversight (Modest) – Contracting responsibilities do not end with the issuance of an award. In fact, one of the most important aspects of the job, contract monitoring and oversight, begins after the award has been made. A lack of post-award oversight was a problem for FEMA in its response to Hurricane Katrina. Since then, FEMA reports taking some important steps in improving contract oversight.

FEMA officials said that they have developed Contract Administration Plans (CAP) intended to improve post-award contract execution by providing consistency in how FEMA competes, orders, and administers task orders. CAPs outline the required levels of contractor oversight, contract terms and conditions, performance milestones, and reporting requirements. The CAPs are designed to balance task order competition with the need to expeditiously make awards after a disaster. FEMA said they believe CAPs will also foster consistent contract administration processes for COTRs across FEMA regions. FEMA also said the additional training and support being provided to COTRs through the new COTR Program Management Office will contribute to better post-award oversight.

Continuing Concerns

While FEMA has made progress in a number of areas and seemingly improved its acquisition management function, many concerns remain. FEMA said that many more pre-disaster contracts are in place. However, FEMA has not afforded us the opportunity to review them, nor have we been able to determine whether guidance on the use of the contracts has been developed and communicated to all federal, state, and local partners. Consequently, we cannot opine on their reasonableness or utility. FEMA also said that these contracts ensure fair and reasonable prices, but because these contracts were only recently shared with us, we have not had an opportunity to assess pricing and other aspects of the contracts.

Staffing levels also remain a concern. Even though OAM has hired a number of contracting employees, a FEMA official said that contracting personnel coming in often have less than a year's experience. This makes OAM's training plans very important.

We are also concerned about OAM's data management, in that we have had difficulty getting data from OAM, and FEMA is late in submitting reports to Congress mandated by the *Post-Katrina Act*. This raises concerns about OAM's data management capabilities.

In our acquisition management scorecard published in April 2007,¹⁶ we reported several areas of concern. Of those, OAM is making some progress in the following areas:

- Developing a full partnership with other FEMA components;
- Developing policies and procedures for comprehensive program management; and
- Hiring and training a sufficient number of contracting staff.

However, FEMA continues to show weaknesses in:

- Developing an integrated acquisition system; and
- Developing reliable, integrated financial and information systems.

OIG Planned Work and Areas for Continuing Oversight

For the remainder of 2008, we will continue to conduct a broad body of work on FEMA's acquisition functions to identify additional

¹⁶ *Semiannual Report to the Congress: October 1, 2006 – March 31, 2007* (Department of Homeland Security Office of Inspector General, April 30, 2007) pp. 59-78.

improvements that FEMA can make. Specifically, we will audit FEMA's acquisition internal controls, workforce, and process, as well as property management. We also plan to review a select number of 2007 disaster contracts to assess the extent to which FEMA has improved its ability to track, manage, and monitor disaster contracts.

The urgency and complexity of FEMA's mission will continue to demand effective acquisition strategies in preparing for, preventing, responding to, and recovering from disasters. While DHS continues to build its acquisition management capabilities in the component agencies and on the department-wide level, acquisition management will continue to be an important area of oversight for our office.

Conclusion and Recommendations

FEMA has made progress in all of the areas we reviewed, although in some areas this progress has been limited or modest. FEMA officials said that budget shortfalls, reorganizations, inadequate IT systems, and confusing or limited authorities negatively affected their progress. We agree with FEMA. FEMA would also benefit from better knowledge management and plans for sustaining initiatives that are underway.

Recommendation 1 - We recommend that FEMA conduct a comprehensive “needs analysis” to determine where they are now and where they need to be, *as an agency*, in terms of preparedness for a catastrophic disaster. This will assist FEMA with integrating their projects and avoiding duplicative efforts.

Recommendation 2 - We recommend that FEMA develop and sustain a system for tracking progress of programs, initiatives, and enhancements, both planned and underway, using project management tools, e.g., Quad charts, Gantt charts or similar tools. This system would benefit FEMA by providing a means of increasing awareness of FEMA’s efforts and the planning behind them. It would also help ensure that knowledge and vision that may reside with the agency’s leadership is shared among staff and other stakeholders. For each project, a single leader accountable for the success of the project should be identified.

Tracking system tools should, for each initiative within each preparedness area, contain information including: (1) Name of the project leader; (2) Status of the project, including budget, schedule, and where necessary, approvals from DHS and OMB; (3) Performance requirements or parameters; and (4) Other key issues, concerns, or challenges to completion of the project, e.g., lack of funding or staffing, legislative changes needed, and cooperation of other federal agencies needed.

Recommendation 3 - To enhance accountability and transparency, and to enhance the ability of key stakeholders to assist FEMA in achieving its mission, we recommend that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects.

Management Comments and OIG Evaluation

FEMA provided written comments on the draft of this report. FEMA generally concurred with all of our recommendations and provided technical comments, which we have incorporated into the report as appropriate. (FEMA's written comments are contained in Appendix B).

Recommendations

In response to recommendation 1, that FEMA conduct a catastrophic needs assessment, FEMA agreed. However, FEMA said they do not believe the report fully reflects the work that has already been done in this area, and that the organization does not need another over-arching assessment. They believe they need an opportunity to implement their new Strategic Plan and to "continue to take action on the remaining PKEMRA [*Post-Katrina Act*] requirements and any outstanding GAO and IG recommendations."

FEMA is under considerable pressure from several fronts and is attempting to respond to numerous mandates and recommendations. This supports our recommendation that FEMA needs to ensure that their efforts are efficient and integrated to avoid duplication. One way to accomplish this is through an agency-wide needs analysis. FEMA said their efforts are "being managed through the combined efforts of frequent senior staff meetings, working level staff meetings, and the Investment Working Group and the Program Analysis division of the Office of Policy and Program Analysis." We remain concerned that this coordination does not permeate the entire organization.

In response to recommendation 2, that FEMA develop and sustain a system for tracking progress of programs and initiatives, FEMA said they have begun instituting project management practices. However, the examples they provided were related to major acquisitions. FEMA needs to bring project management practices and a comprehensive project tracking system to all agency projects and initiatives, so that stakeholders are aware of projects and decision makers have solid information. FEMA claims they are tracking projects "through a variety of means" and that "several electronic systems collectively track the progress of different programs within the agency." We are recommending a single, comprehensive tracking system for real-time visibility on projects

and initiatives, including key indicators such as schedule, budget, and necessary approvals.

In response to recommendation 3, that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects, FEMA said they are already providing updates and working on a comprehensive reporting effort. They also said they are required to provide monthly or quarterly reports to Congress on a number of topics. We remain concerned that these reports are often late.

General Comments

Methodology: FEMA said they believe the metrics and measurements used throughout the report “are too subjective and do not reflect the considerable effort to date as accurately as they might.” FEMA also said the draft report provides only a cursory explanation of the methodology used to rate FEMA.

Our methodology is clearly outlined in Appendix A. The ratings are subjective, but the rating scale and level of subjectivity are appropriate to this high-level assessment. In response to several questions FEMA posed in their comments, we want to again make clear that the overall rating for each key area is not an average of the ratings for the critical components within each area. The overall rating is based in part on the component ratings, but also on our broader knowledge of the key preparedness areas.

Mitigation’s Role in Preparedness: FEMA said they did not believe the report adequately addressed the role of mitigation in preparedness, response and prevention of catastrophic disasters. Mitigation is an important element of the emergency management cycle; however, mitigation falls outside the scope of our assessment on FEMA’s ability to respond to a catastrophic disaster.

Coordination Among Offices: FEMA said that this report provides a stovepipe review of the nine key areas, “leaving the impression that these are separate and disparate entities not fully coordinated.” As an example of efforts coordinated among different areas, FEMA provides information on two catastrophic disaster planning efforts: the New Madrid Seismic Zone Area effort and the State of Florida hurricane effort. In fact, we highlight both of these efforts in the report and indicate that the efforts are coordinated among the

Disaster Operations, Disaster Assistance, and Mitigation
Directorates.

IT Modernization: FEMA provided general comments on their efforts to modernize IT infrastructure and systems; however, they did not provide any specific comments on how we addressed IT systems in the report. Our report does discuss IT systems, where appropriate, and our office has ongoing work in this area.

Grant Programs: FEMA said that grants were only mentioned as they related to Interoperable Communications, and that we did not include discussion of preparedness grant programs that FEMA provides to State and local jurisdictions to build preparedness capabilities. We recognize and appreciate that FEMA preparedness grants play an important role in enhancing state and local governments' preparedness; however, the focus of this report was FEMA's ability to respond to a catastrophic disaster when state and local capabilities are overwhelmed.

Appendix A

Objectives, Scope, and Methodology

At the request of Congress, we conducted a high-level “scorecard” assessment of FEMA’s preparedness to respond to the next catastrophic disaster. Together with congressional staff and FEMA officials, we identified nine key areas as those most vital to FEMA’s preparedness:

- Overall Planning;
- Coordination and Support;
- Interoperable Communications;
- Logistics;
- Evacuations;
- Housing;
- Disaster Workforce;
- Mission Assignments; and
- Acquisition Management.

Within each of the nine key areas, there are numerous critical actions that need to take place before FEMA is sufficiently prepared for a catastrophic disaster. To use our time and resources wisely, we collaborated with FEMA officials to determine two to five critical components within each key area. We:

- Conducted interviews with top FEMA officials and, in limited cases, DHS officials;
- Reviewed numerous reports and testimony from our office, GAO, Congress, and others regarding FEMA’s readiness (See Appendix C);
- Reviewed documents provided by FEMA, including plans, policies, organization charts, and self-assessments; and
- Reviewed applicable laws, such as the *Stafford Act* (P.L. 100-707), *Homeland Security Act* (P.L. 107-296) and *Post-Katrina Act* (P.L. 109-295).

Our ratings for the nine key areas reviewed are based on a four-tiered system ranging from “limited or no progress” to “substantial progress.” Throughout this report, we based our ratings on the following criteria:

Limited or No Progress: There is an awareness of the critical issues needing to be addressed, but specific corrective actions have not been identified.

Within this phase, interim steps include a problem analysis, discussion of corrective actions, and development of a strategic plan.

Modest Progress: Corrective actions have been identified, but implementation is not yet underway.

Within this phase, interim steps include selecting corrective actions, obtaining management approval, planning for implementation, and securing a funding commitment from DHS for each action.

Moderate Progress: Implementation of corrective actions is underway, but few if any have been completed.

Substantial Progress: Most or all of the corrective actions have been implemented.

Our ability to conduct this assessment was limited by FEMA's inability to provide requested documents in a timely manner. Given the scope and limitations of our review, we did not perform an in-depth assessment of each of the nine key preparedness areas. We used the critical components, as well as our broader knowledge of the key areas, to gauge FEMA's overall progress in those areas. For ease of understanding, we used the same rating categories as we used to rate the critical components within each area; however, we adapted the criteria to present a better picture of the progress FEMA has made overall. For example, to achieve moderate progress overall, FEMA would have to have identified and completed more than a few corrective actions. To achieve a rating of substantial progress overall, FEMA would have to have completed most corrective actions in the key preparedness area.

We conducted our review between October 2007 and February 2008 under the authority of the *Inspector General Act of 1978*, as amended, and according to the *Government Auditing Standards* issued by the Comptroller General of the United States. Major OIG contributors to the review are identified in Appendix D.

The principal OIG points of contact for the review are Matt Jadacki, Deputy Inspector General for Emergency Management Oversight at (202) 254-4100 and Donald Bumgardner, Director, Disaster Acquisition Division, Office of Emergency Management Oversight at (202) 254-4226.

Appendix B
Management Comments to the Draft Report



FEMA

March 14, 2008

MEMORANDUM FOR: Richard L. Skinner
Inspector General
Department of Homeland Security

FROM: R. David Paulison Administrator
Federal Emergency Management Agency

SUBJECT: FEMA Response to Draft Report, *FEMA's Preparedness for the Next Catastrophic Disaster*

The Federal Emergency Management Agency (FEMA) appreciates the opportunity to review and comment on the Department of Homeland Security, Office of the Inspector General (DHS OIG) draft report "FEMA's Preparedness for the Next Catastrophic Disaster," issued March 6, 2008. General and specific comments are attached. The specific comments are tied to sections of the draft report.

Please direct any questions/concerns you may have regarding these comments to the Chief, FEMA GAO/OIG Audit Liaison Office, Brad Shefka at 202-646-1308.

**FEMA Response to the DHS OIG Draft Report,
“FEMA’s Preparedness for the Next Catastrophic Disaster”
(issued March 6, 2008)**

The Federal Emergency Management Agency (FEMA) appreciates the opportunity to review and comment on the Department of Homeland Security, Office of the Inspector General (DHS OIG) draft report “FEMA’s Preparedness for the Next Catastrophic Disaster,” issued March 6, 2008.

FEMA agrees with the DHS OIG’s assessment that improvements have been made to all components of the agency since Hurricane Katrina in 2005. We understand that DHS OIG had a relatively small window of time in which to conduct their research, and as a result did not have the opportunity to conduct an in-depth assessment of each of the nine key preparedness areas identified. FEMA pace of improvement has been steady and we have endeavored to utilize our resources wisely to move forward on the many requirements we have identified or have been recommended by other entities.

While we appreciate the acknowledgement of our progress in your report we are concerned that the metrics and measurements used throughout this report are too subjective and do not reflect the considerable effort to date as accurately as they might. Appendix A of this draft report provides only a cursory explanation of the methodology used to rate FEMA. In some instances, it seems the short window available to create this report led to a disconnect between DHS OIG’s lines on inquiry and the FEMA program staff’s targeted responses. FEMA made every reasonable effort to meet DHS OIG’s requests while addressing hundreds of other requests by GAO and Congress within the same timeframes. Specific examples of our concerns are cited in this response.

FEMA appreciates DHS OIG’s recognition in the opening Executive Summary and would like to use this report to highlight improvements. FEMA is continuously bringing on energetic new employees and promoting experienced ones from within, updating our IT infrastructure, improving our procurement practices, improving the quality of our policies and guidance to our nation, conducting exercises, and actively responding to emergencies.

Recommendations:

Recommendation 1: We recommend that FEMA conduct a comprehensive “needs analysis” to determine where they are now and where they need to be, as an agency, in terms of preparedness for a catastrophic disaster. This will assist FEMA with integrating their projects and avoiding duplicative efforts.

FEMA agrees with this recommendation, but believes the report does not reflect fully the work that has already been done in this area. Taking into account the combined lessons learned from Katrina, and suggestions and requirements from numerous sources, FEMA has recently completed its new Strategic Plan. This document goes to print in mid-March 2008. Even though the plan is only now going to final print it has been in place and used by all of the FEMA directorates for the past 9 months in their development process for program improvements. In December of 2006 FEMA published agency vision and disaster preparedness concept of operations which has guided our actions and priorities. In 2007 we completed 17 specific needs assessments and analysis that spanned our business functions, logistics and communications. Those assessments have provided a blue print for our change efforts. In the last year, we stood up a Program Analysis and Evaluation capability for the first time in FEMA, and reinvigorated the Investment Working Group which had been moribund in years past.

Each FEMA office has numerous projects and programs underway to improve service and interoperability with other parts of FEMA, DHS, and our partners across the government and in states and localities. This entire effort is being managed through the combined efforts of frequent senior staff meetings, working level staff meetings, and the Investment Working Group and the Program Analysis division of the Office of Policy and Program Analysis to eliminate duplication and increase our preparedness, mitigation, recovery, and response capabilities.

Since the landfall of Hurricane Katrina in 2005, FEMA has been the subject of dozens of analyses, engagements, studies, and reports. Many of these reports were created by outside entities, including DHS OIG, GAO, and Congress. DHS OIG cites a number of these documents on pages 60-61 of this draft report. The Post Katrina Emergency Management Reform Act (PKEMRA) specified over 250 actions for FEMA to take.

FEMA currently has over 100 open engagements with the GAO, and over 100 open engagements with DHS-OIG. This translates to over 100 open recommendations from GAO, and over 600 open recommendations from DHS-OIG. Many of these recommendations are overlapping and/or complementary.

FEMA has no shortage of recommendations of improvements the agency needs to make, and has had our capability gaps clearly spelled out. The sheer workload associated with responding to the administrative documentation requirements of over 700 recommendations from DHS OIG and GAO is directly impacting our continued efforts to improve FEMA. We believe another assessment or analysis is not required.

FEMA does not believe it needs another over-arching assessment. FEMA instead believes that we be given an opportunity to implement our new Strategic Plan, and continue to take action on the remaining PKEMRA requirements and any outstanding GAO and IG recommendations.

Recommendation 2:

We recommend that FEMA develop and sustain a system for tracking the progress of programs, initiatives, and enhancements, both planned and underway, using project management tools, e.g., Quad charts, Gantt charts or similar tools. This system would benefit FEMA by providing a means of increasing awareness of FEMA's effort and the planning behind them. It would also help ensure that knowledge and vision that may reside with the agency's leadership is shared among staff and other stakeholders. For each project, a single leader accountable for the success of the project should be identified.

Tracking system tools should, for each initiative within each preparedness area, contain information including: (1) Name of the project leader; (2) Status of the project, including budget, schedule, and where necessary, approvals from DHS and OMB; (3) Performance requirements or parameters; and (4) Other key issues, concerns, or challenges to completion of the project, e.g. lack of funding or staffing, legislative changes needed, cooperation of other federal agencies needed.

Prior to 2005, FEMA was not conducting large-scale acquisition programs and had no experience with project management principals. However, in the past year we have changed that and begun instituting project management practices. Examples of existing and beginning Program Management Office (PMO) efforts include the Integrated Public Alert and Warning (IPAWS) program and a new one forming is the Mt. Weather modernization project. Each PMO is staffed with professionally trained program managers. Future efforts will also follow this pattern. As part of our IT modernization process, our Business Management Office is investigating ways to bring this capability to the agency as an enterprise system.

FEMA is tracking its progress on all fronts through a variety of means. FEMA senior staff meets several times a week (including biweekly teleconferences with all of the Regions and satellite offices). The Investment Working Group, co-chaired by the Office of Policy and Program Analysis and the Office of the Chief Financial Officer, manages FEMA's budget process and is improving our investment decision capability.

Several electronic systems collectively track the progress of different programs within the agency. The most recent addition is the Executive Management System, currently deployed as an active pilot program. The initial deployment of the system is tracking or will track all of FEMA's DHS OIG and GAO engagements and recommendations (including tying progress to a specific program manager), legislative tasks, questions for the record and "getbacks", and FEMA transformation and change of administration plans. This system will continue to evolve and allow for the tracking of other lines of business.

Recommendation 3:

To enhance accountability and transparency, and to enhance the ability of key stakeholders to assist FEMA in achieving its mission, we recommend that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects.

FEMA is already actively providing these updates and is working on a comprehensive reporting effort which will be completed in April of 2008. PKEMRA mandated FEMA brief Congress on virtually all aspects of Preparedness on a quarterly basis. The next briefs of the different House and Senate committees are scheduled for early May 2008.

PKEMRA also mandated FEMA provide a number of monthly and quarterly reports to Congress, on topics including our quarterly staffing vacancies, National Capital Region planning efforts, the disaster relief fund, disaster contracting, disaster declarations, etc. As we continue to promulgate our national plans and guidance, including the National Response Framework, we have updated Congress and have legislatively-mandated updates scheduled

Finally, both from PKEMRA, at the request of Congressional committees, and on our own initiative, FEMA continues to brief Congress on all manner of preparedness, response, recovery, mitigation, and disaster logistics issues.

General Comments on the Draft Report:

Methodology: DHS OIG's description of its reporting methodology should be more comprehensive. Appendix A of this draft report provides only a cursory explanation of the methodology used to rate FEMA. We do have the following questions and concerns about the specifics of the report.

How did the OIG determine FEMA's progress within each of the four ratings? What was the benchmark measure used to grade our efforts? It is unclear as to how the IG calculated and tabulated the ratings for the nine key areas as the summation of individual ratings for the critical components do not always equate to the overall key area score. For example, "Evacuations" total is Modest, but the two areas are Moderate & Substantial). How were the ratings from the "critical components" weighted to come up with a final score? At the exit conference, it was mentioned that it was not an average.

Mitigation's Role in Preparedness: This report does not adequately address Mitigation's role in preparedness, response and prevention of catastrophic disasters. The four legs of FEMA's disaster strategy can be summarized with preparedness, recovery, response, and mitigation—this report focuses only on the first three.

While Mitigation activities are generally thought of as occurring after the disaster, Mitigation is quite involved in the development and management of a suitable cadre versed in engineering, grants management, flood insurance, and public outreach, all prior to a disaster. In addition, Mitigation manages the development of hazard mitigation plans at the state and local level, a requirement for the receipt of certain public and mitigation assistance grants. This is all part of being prepared for the next disaster.

Coordination Between Offices: This report provides a stovepipe review of the following areas: Overall Planning; Coordination and Support; Interoperable Communications; Logistics; Evacuations; Housing; Disaster (Surge) Workforce; Mission Assignments; and Acquisition Management. Each of these areas is addressed individually, leaving the impression that these are separate and disparate entities not fully coordinated. The report does not address holistic coordination efforts that have been initiated by FEMA to address catastrophic disaster operations planning.

An example of this is the Disaster Operations and Disaster Assistance Directorate's joint efforts in Federal Agency Catastrophic Disaster Operations Planning for two geo-specific areas: the eight (8) State New Madrid Seismic Zone Area (NMSZ); and the State of Florida. The NMSZ initiative addresses response planning for a catastrophic earthquake that would address four FEMA regions involving the following eight States: Alabama, Arkansas, Illinois, Indiana, Kentucky, Mississippi, Missouri, and Tennessee. The State of Florida initiative involves catastrophic disaster operations response planning for a Category 5 Hurricane making landfall on South Florida which would put most of South Florida under 1-4+ feet of water for weeks, destroy the homes of more than 60 percent of the population, leave 4 million people without electricity, cripple the State's transportation infrastructure, and have a devastating effect on South Florida's \$200 billion per year service, agriculture, and tourism industries.

These efforts provide readiness planning, technical assistance and project management to develop a Federal Concept of Operations, and Federal Catastrophic Earthquake Plan, Regional specific plans and individual State catastrophic disaster response plans. The intent is to horizontally and vertically integrate multijurisdictional response plans at the local, private sector, State, Tribal and Federal level. In fiscal years 2006 and 2007, FEMA invested over \$20,000,000 in these initiatives.

Both the NMSZ and Florida initiatives involve bottom up planning from the local to the State level and eventually to the Federal level via scenario driven workshops. To date, this process has involved the local and State emergency management communities, with some involvement of the Regions and other Federal agencies through the FEMA

Regional Interagency Steering Committees (RISC). The planning to date at the local and State level has been robust and helped identify the unmet requirements that will need to be addressed by Federal level planning. The intent is to bring all of the areas addressed in the OIG report into a cohesive and robust Federal response to all-hazards through this scenario-driven planning process.

IT Modernization: As FEMA continues to modernize its IT infrastructure and systems, we have identified budget shortfalls, and experienced issues with several information systems. We continued to refine organizational structure, and welcome the inclusion of the DHS Office of the Chief Information Officer (OCIO) in a complete assessment of IT requirements, capabilities, and readiness, as some program offices have reported IT limitations. As we move forward, our newly formed Customer Advocate Branch will assist program offices in identifying and documenting their mission needs, concepts of operations, business requirements, and lifecycle funding, and in conveying those requirements through formalized capital and operational planning processes.

Grant Programs: Grants are only mentioned as they are related to Interoperable Communications. There is no mention of the preparedness grant programs (SHSP, UASI, etc.) that we provide to State and local jurisdictions to build preparedness capabilities (although the IG does mention the current audit of our grant programs) which have a direct bearing on the amount of support FEMA may have to provide in a disaster. There is a direct correlation between the ability of state and local governments to be prepared and FEMA's success in being able to support them. The report has no mention of this dynamic. This removed a key aspect of FEMA's preparedness strategy from consideration in this analysis.

Comments on the Draft Report by Section:

Table of Contents:

(Disaster Operations) Table of Contents: MERS Mobile Emergency Resource Response Support

P. 6: (Logistics)

FEMA requests additional clarification on DHS OIG's methodology for determining progress. Was the methodology same across all reviewed areas? What was it based on?

P. 13: (NPD)

Do the evaluation criteria represent overall progress or do they represent progress in implementing the plan of action?

This report states the “prototype assessment” (NPS) will not progress because it has “a small budget, no separate appropriation and did not receive the level of staffing

requested”. This is factually inaccurate. To date, NPD has spent almost \$5 million on the development of this effort.

P. 16: (NPD)

Community Preparedness Division: Enhance community preparedness (Moderate) – Since 9/11, there has been increased recognition of the role citizens play in protecting the homeland and supporting first responders. After Hurricane Katrina, the White House recommended that “DHS should make citizen and community preparedness a National priority.”¹ Implementation of National Priority 8, “Community Preparedness: Strengthening Planning and Citizen Capabilities,” is the responsibility of the Community Preparedness Division (CPD) of the NPD.

Three of CPD’s community preparedness Initiatives are:

- Assessing and strengthening community preparedness;
- Leading strategic coordination and integration of community preparedness efforts; and
- Initiating partnerships for preparedness research.

A primary goal of CPD is to ensure that community preparedness is included in a consistent way in policy, guidance, training, and exercises. The inclusion of citizen preparedness as a national priority was a significant step. This is an ongoing challenge that requires actively seeking out “points of cooperation” and educating DHS and FEMA staff on the significant value of community preparedness and planning through the network of Citizen Corps Councils.

Citizen Corps was launched in 2002 as part of the USA Freedom Corps initiative and has grown to include a nationwide network of over 2,300 State, territorial, tribal, and local councils. Citizen Corps’ mission is to bring government and community leaders together in all-hazards community preparedness, planning, mitigation, response and recovery. In addition, State and local preparedness is supported by national Citizen Corps Partner Programs and Affiliates that provide specific training and resources for citizens. CPD is tasked with coordinating the Citizen Corps initiative at the federal level. CPD is developing and providing national guidance, tools, and training for Citizen Corps Councils to support community preparedness and resiliency. CPD is also and strengthening the inclusion of community based planning in FEMA guidance through the new FEMA Integrated Planning System.

P.21 (Disaster Operations)

Critical Components, 2nd Paragraph: “FEMA officials also said that it has not been decided which DHS component will lead the effort to integrate strategic, concept, and operation planning to ensure consistency and interoperability.” This statement is incorrect. The DHS Operations Coordination Directorate has responsibility for strategic level planning, whereas FEMA coordinates interagency and intergovernmental CONOPS and operational planning.

P.22 (Disaster Operations)

1st Paragraph: Please capitalize “FEMA Administrator”

P.22 (Mitigation)

The broad description of an FCO’s execution of Stafford Act responsibilities subsequent to a Presidential declaration fails to mention the provision of Mitigation programs.

“-…the President appoints an FCO to coordinate federal support in response to and recovery from emergencies and major disasters. The FCO represents the FEMA administrator in the field to discharge all FEMA responsibilities for the response and recovery efforts underway.”

To ensure Congress is aware of the FCOs’ mitigation responsibilities, we recommend the following edit in the last line of the sentence:

“-…all FEMA responsibilities for the response, recovery and mitigation programs.”

P.24 (OCC and Disaster Operations)

Interoperable Communications: In this section, FEMA is rated on progress to “Achieve coordination among all DHS components charged with improving interoperable communications.” This is one of our lowest scores and does not reflect the fact that the issue is a shared one with the Office of Emergency Communications and the Science and Technology Safecom program. FEMA’s communications equipment IS interoperable across the Department and with our state and local partners. However, DHS, **not FEMA**, is primarily responsible for this coordination across the Department on this issue. This point was raised at the Exit Conference. FEMA requests that this distinction be made in this report.

We also suggest including this statement incorporation in the final report after last paragraph… “are an equal or greater challenge.”

“FEMA is developing disaster emergency communications policies and procedures to facilitate effective emergency management, operability, and interoperability during catastrophic events. However, achieving effective coordination among all DHS components specifically charged with improving interoperable communications remains difficult. Each organization continues to operate independently within the limits of its own authorities established during the DHS reorganization. If FEMA is charged with coordinating among all of DHS, it needs specific authority to coordinate with and direct DHS components providing emergency communications during disasters to achieve substantial progress in this critical area.

P. 27 (Disaster Operations)

1st Paragraph: Mobile Emergency ~~Resource~~ Response Support (MERS)

2nd Paragraph: FEMA has also created the Disaster Emergency Communications ~~Office~~ Division and intends to be an informed and engaged advocate for disaster emergency communications issues and the communications needs of emergency responders.

P. 28 (Disaster Operations)

1st Paragraph: Mobile Emergency ~~Resource~~ Response Support

P. 29 (Logistics)

FEMA strongly disagrees with the progress indicator and does not understand basis for ranking. During Hurricane Katrina FEMA Logistics (formerly part of Disaster Operations) had little to no tracking capabilities. FEMA now has logistics tracking capabilities in all 10 Regions, and continues to improve our capabilities.

P. 30 (Logistics)

Statement Begins: “Prior to 2004, FEMA had invested in multiple systems...” – this statement is incorrect from a logistics program. It was not until after 2004 (see below) did Logistics invest in “inventory and supply chain management”. What system was DHS OIG referencing?

2nd Paragraph: FEMA recommends adding, after first sentence, that the system’s pilot was originally set to be tested in 2005, but was postponed upon Hurricane Katrina’s landfall. The pilot system was rolled out in February 2006.

Sentence beginning with: “Currently, the TAV system is able to track the movement.....” “Big 8” commodities: water, emergency meals...” This is factually incorrect and FEMA recommends replacing with :

“Currently, the TAV system is able to track the movement of more than 200 types of commodities, with a primary focus on the “Big 7” commodities of water, emergency meals (MREs), blue roof plastic sheeting, tarps, cots, blankets and key assets including emergency generators and temporary housing units.”

Sentence reading “**However, FEMA personnel said that there are many gaps in the system**” – this is an unsubstantiated comment and we have no basis by which to judge its merits. What specific gaps are being referred to? Recommend it be deleted.

P. 31 (Logistics)

Last line of 2nd full paragraph: “FEMA personnel said they did have supplies pre-positioned during the 2005 hurricane season, but the quantities were insufficient and delivery was not timely.” FEMA recommends replacing with:

“FEMA staff interviewed stated they did have supplies pre-positioned during the 2005 hurricane season, but the quantities pre-positioned were never intended to sustain a catastrophic disaster. The main problem experienced during Katrina was “reach-back” capability to acquire large quantities of sustainment commodities once stored stocks were depleted.”

Sentence reading: “LMD estimated that to pre-position commodities in the 11 hurricane prone states alone would cost \$350 million.” FEMA recommends adding this footnote:

“This figure includes estimated cost for commodities in Regions I, II, III, IV, & VI and transportation costs in region IV & VI”

Sentence reading: “Instead, FEMA is increasing its emphasis on identifying strengthen relationships....and the General Services Administration (GSA).” FEMA requests adding that we are strengthening our relationships with the private sector.

Sentence reading: ““It has set a goal of meeting 100% of emergency requirements within 72 hours of an event.” This statement is incorrect. Our planning factors are based on support for “1 million people within first 72 hours with life-saving commodities, food and water.”

P. 32 (Logistics)

Under Continuing Concerns:

Statement Reads “Logistics has made progress in a number of areas, but still needs to develop standardized policies and procedures, effective internal controls ~~and sufficient funding and resources.~~” FEMA recommend deleting last portion. Logistics has sufficient funding and resources to accomplish its mission.

P. 33 (OCC)

Evacuations: There is a substantial disconnect between the overall score for evacuations (modest) and the sub-scores for the gap analysis program (moderate) and the gulf coast mass evacuation capability enhancement initiative (substantial). DHS OIG expressed concern that several offices within FEMA had responsibility for evacuations without an “overall strategy” for evacuations. FEMA does not have the overall responsibility for evacuations, State and Local governments do and to imply otherwise exceeds FEMA’s statutory authority. If this were a central concern of the DHS OIG’s and the basis for scoring FEMA in this area, the DHS OIG should have made it an explicit “critical component.” (According to the Executive Summary, the DHS OIG collaborated with FEMA to come up with 2 to 5 critical components within each area.) Of the critical components that were listed under Evacuations, FEMA received some of its best scores

in the entire report; yet, the overall score is one of FEMA's worst. It would seem that, even considering the DHS OIG's concerns overall centralized responsibility for evacuations, FEMA's scores in these two critical components would be illustrative of FEMA's progress in this area and lead to a better overall score. Furthermore, the DHS OIG comments that "it was difficult to gain a clear picture of FEMA's progress" in this area. It appears DHS OIG equated the difficulty with gaining a clear picture with only modest progress by FEMA. This negative assumption is problematic given the progress FEMA demonstrated in the two critical components that the DHS OIG was able to evaluate.

P. 33-36 (Disaster Assistance)

Evacuations: FEMA would like to make DHS OIG aware of two initiatives under development that will greatly improve our evacuation management capabilities: the Mass Evacuee Support Planning initiative and a mass evacuation tracking capability.

The Mass Evacuee Support Planning initiative, which began in late 2006, is being developed concurrently with the Mass Evacuation Incident Annex to the NRF, the NMETS (described above), National Shelter System enhancements, and other related mass care improvements. The Mass Evacuee Support Planning initiative focuses on developing strategies and guidelines for support of displaced disaster victims through development of planning guidance and a Host-State Evacuee Support Plan template. These planning efforts will enhance operational effectiveness to provide recovery assistance to individuals and households, as well as public assistance to State and local governments in the event of an extraordinary or catastrophic disaster. To ensure the guidance and template realistically address State concerns and operational perspectives, the template will be created and refined from host-State evacuee support plans developed in select States. The host-State evacuee support plans are developed through workshops that employ realistic catastrophic scenarios and consequence estimates which drive discussion and planning, and ultimately the creation of functional, integrated evacuee support plans.

The States which are participating in development of initial model plans include: Arkansas, Georgia, Tennessee, and Oklahoma – all of these states provided significant evacuee support following Hurricane Katrina. Two states have held Evacuee Support Planning Workshops: Georgia, Aug 1 - 3, 2007; and Arkansas, Sept 11 - 13, 2007 (held in conjunction with the New Madrid Seismic Zone Catastrophic Planning Workshop). Tennessee's workshop will be the week of March 17, 2008.

FEMA is also developing a mass evacuation tracking capability that is a tool to support the Mass Evacuation Incident Annex to the NRF. The goal is to provide a single national system to support multi-state, state-managed, or local evacuation operations. FEMA expects to be able to test this new capability this spring. A key aspect of the capability will be protection of evacuee information. The capability will be developed in a way that will enable it to support the management of congregate care operations.

P. 37-41 (Disaster Assistance)

Housing: FEMA has continued to build its partnerships with other Federal, State, local, and volunteers as relates to housing. This is demonstrated in the coalition-based approach set forth in the National Disaster Housing Strategy. It is also exemplified in our successful execution of the interagency agreement (IAA) with HUD to establish the Disaster Housing Assistance Program, a temporary housing rental assistance and case management program for identified individuals and households displaced by Hurricanes Katrina and Rita. This model for providing additional and sustainable housing resources through HUD is also being evaluated for use in future events.

In the first paragraph of the Background subsection on P. 37 and again on P. 41, the OIG indicates that part of FEMA's mission is to "transition those still in need to more permanent forms of housing." This does not accurately reflect FEMA's disaster housing responsibilities. FEMA's mission is to assist State and local governments to ensure displaced persons are sheltered and to transition those still in need to post-disaster interim housing. When the recovery process transitions to long-term, permanent housing needs, FEMA has worked with other federal agencies, namely HUD, to provide critical housing and community development resources to aid state, local, and tribal in longer-term disaster recovery efforts.

In the second paragraph of this Background subsection, the OIG indicates that housing assistance may include semi-permanent, or permanent construction. Given that this paragraph begins with a description of the situation after Hurricane Katrina, it would be important to emphasize that FEMA was first provided the authority to provide housing assistance in the form of semi-permanent, or permanent construction by the Post Katrina Emergency Management Reform Act.

The third paragraph of the Background subsection discusses a need for improved communication with state and local governments. It is our view that the core issue is that FEMA needs to do a better job of communicating with state and local governments about what they can expect FEMA assistance to provide after a disaster.

On P. 38, under the subsection Critical Components, DHS OIG indicates that "FEMA did not have a plan in place to deal with the unprecedented movement of displaced evacuees". This statement over-states FEMA's roles and authorities for evacuations prior to the passage of the Post Katrina Emergency Management Reform Act. Additionally, FEMA had assisted the State of Louisiana and its localities to develop the Southeast Louisiana Catastrophic Hurricane Plan. It would be more accurate to say that adequate plans were not in place at the Federal, state, or local level to deal with the unprecedented movement of displaced evacuees from Hurricane Katrina.

P.40, under the subsection *Strengthen state and local commitment to house affected citizens*, the DHS OIG expresses concern over the lack of resources to exploit all

available existing dwellings. We would like to make the DHS OIG aware of the joint HUD-FEMA Housing Portal initiative. This portal will provide housing information in a consolidated format accessible to disaster victims and FEMA housing staff. FEMA and HUD have reached an agreement for the development, management, operation, and security of a secure connection between HUD's National Housing Locator System (N HLS) and FEMA's Housing Portal. Connecting these systems will provide an internet-based website to assist individuals and families in finding rental housing following a Presidentially declared disaster. This connection will also make HUD's considerable array of rental resources available to FEMA housing personnel. Network/cyber security issues must be resolved to permit completion of this FEMA-HUD joint effort.

P. 40 (OCC)

Please capitalize "Administrator" in last paragraph on P. 40.

P. 42 (OCC)

Disaster Surge Workforce: FEMA does not understand how DHS OIG calculated the overall score for Disaster (Surge) Workforce. The average of the scores for the two critical components that were evaluated is higher than the overall score. If the issues addressed in the OIG's "Continuing Concerns" for this area were important enough to impact the overall score, they should have been made explicit "critical components," so that FEMA could have tailored its responses accordingly in the limited response time available.

P. 42-45 (NPD)

Disaster Surge Workforce: EMI is working with the Office of Disaster Reserve Workforce, FEMA Cadre Managers, Region Training Managers, and FEMA Program Offices to develop and maintain standardized Position Specific Task Books, Credentialing Plans, and a training and exercise curriculum for the Disaster Reserve Workforce that is aligned with the Position Task Books and Credentialing Plans. EMI has completed the Position Task Books for the Joint Field Office and is moving forward on the Position Task Books for the Regional Response Coordinating Centers and National Response Coordinating Center. Credentialing Plans are completed for the Federal Coordinating Officer cadre and Environmental and Historical cadre. EMI is working with the remaining cadres to develop their credentialing plans. To meet the training needs, EMI currently has a series of courses under development for JFO leadership as well as the various support functions. These new courses are being made available starting in April, 2008.

P. 42 (Office of Management)

"Disaster (Surge) Workforce"

Clarification of terminology: The "surge" workforce is the capacity required beyond the base reservist level in order to meet the operational requirements for a catastrophic event. The "reserve" workforce is the intermittent employees that are deployed to work disasters

on an ongoing basis and with the exception of the “generalist” position are not considered “surge”.

FEMA’s Strategic Human Capital Plan (SHCP) is in final review and concurrence. Once all appropriate concurrences have been obtained, comments or concerns addressed, and appropriate modifications made, the report will be forwarded DHS/OMB and to Congress by April 15, 2008. At that point, the SCHP will also act as the guiding force behind critical recruitment, staffing, and retention activities for the FEMA workforce.

SCHP updates will lay out the specific strategies for development of a surge capacity force. Strategies for this workforce will be developed in coordination with FEMA’s Disaster Reserve Workforce Program Management Office.

FEMA has implemented recommendations from our Disaster Reserve Workforce (referenced on pg 44 of the draft report), including:

- Establishing the Office of the Disaster Reserve Workforce with the centralized focus to develop, deploy and support a professional Disaster Reserve Workforce;
- Developing implementation plans for specific assessment recommendations;
- Developing proposed legislative language and the costs associated with implementing those additional authorities.
- Identifying internal Human Capital policies to be changed and developing the plans to achieve the changes (e.g., allowing reservists to accrue and use sick leave while deployed);
- Preparing and implementing an interim plan to identify additional surge capacity for the 2008 hurricane season and to address requirements in Section 624 of PKEMRA;
- Completing Phase I enhancements to the Automated Deployment Database with a new server and software that will improve reporting capabilities and create interactive processes for both managers and reservists; and
- Submitting budget requests for FY 2010 to support the new more robust program requirements (i.e., the earliest budget cycle in which this can be done).

P. 42 (Disaster Operations)

1st Paragraph, FEMA recommends adding: “FEMA struggled to provide adequate *numbers of* staff in response to Hurricane Katrina and did not have the automated support needed to deploy over 5,000 disaster personnel...”

2nd Paragraph, FEMA recommends adding: “The Post-Katrina Act also requires a plan to establish and implement a surge *workforce*, including an adequate...”

P. 44 (Mitigation)

The report states a recommendation of the contractor study to reduce FEMA's cadres from 23 to 9. This is not an accurate statement of the recommendation.

P. 45 (Disaster Operations)

5th Bullet: "Training regional strike teams as a unit and equip and staff these teams;" As required in the Post-Katrina Act, FEMA is developing the next generation of rapidly deployable interagency emergency response teams, which the Post-Katrina Act referred to as strike teams, and FEMA has named Incident Management Assistance Teams (IMATs). These teams will coordinate the initial Federal response; support the emergent needs of State and local jurisdictions; possess the capability to provide initial situational awareness for Federal decision-makers; and support the initial establishment of a unified command. These teams will ultimately provide the three national-level response teams and regional-level emergency response "strike" teams. One National IMAT is currently operational in the National Capital Region, and FEMA plans to stand up three Regional IMATs by summer 2008.

P. 46-49 (Disaster Operations and NPD)

Mission Assignments: The draft report implies FEMA did not begin to re-engineer the processes, relationships, and resources involved in management of Mission Assignments (MAs) until November 2007. This process was initiated in spring 2006 when FEMA developed revised guidance for Pre-Scripted Mission Assignments (PSMAs) and worked with the Department of Defense and other Federal Agencies to improve existing PSMAs. Both FEMA and the Department spent months of time and dedicated manpower prior to the 2007 hurricane season to improve the MA process and the development of PSMAs involving other Federal Agencies. A revised manual for MAs resulted, and was the basis of improvements from November 2007 forward.

FEMA also embarked on a robust interagency MA training program for Regions and other Federal agencies in Spring 2006. This considerably improved the interagency understanding of Mission Assignments. The report states that "MA policies, procedures, training, staffing, and funding have never been fully addressed by FEMA, creating misunderstandings among federal agencies concerning operational and fiduciary responsibilities." FEMA recognized this as a problem and started addressing it in 2006. The categorization that "Limited or No Progress" on the P. 46 dashboard misrepresents the efforts to address this issue and the progress made.

EMI is developing an online independent study course, Mission Assignment Overview IS-293 to address the basic MA process for anyone who may be involved in the MA process. FEMA anticipates deploying the course by July, 2008.

EMI offers a two-day course, Orientation to Mission Assignments, for the FEMA Regional Interagency Steering Committee which is comprised of other Federal Agencies and State and Tribal staff. The purpose of this course is to provide an overview of the MA process for FEMA's various disaster partners.

EMI delivers an additional course, Introduction to MA Processing E347, for FEMA Operations Section Chiefs, Mission Assignment staff and other JFO leadership. The purpose of this course is to develop in-depth skills for the MA process.

P. 48 (Disaster Operations)

Mission Assignments: 1st Sentence: Comment – There are currently 223 PSMAs under development listed in the draft PSMA Catalogue – Operational Working Draft. The intention is to publish the current drafts in this catalogue by June 2008.

FEMA developed a Standard Operating Procedures (SOP) manual to explain and streamline the process for issuing MAs. The MA SOP outlines the policies, procedures, and processes that FEMA uses to interact and coordinate with other Federal Departments and Agencies and organizations when responding to disasters. Plans are to release an updated “Coordinating Draft” of the MA SOP in March 2008.

P.49 (Disaster Operations)

4th Paragraph: FEMA recommends editing to read, “We will continue to collaborate *with FEMA’s Disaster Operations Directorate* staff and the interagency...”

P. 50 (Grants)

Under “Acquisition Management, Background”, 1st sentence, the word “grant” should be removed. The awarding of a grant is not part of the acquisition management process. They are separate processes.

P.50-53 (Office of Management)

Acquisition Management: Figure 1 in the Executive Summary assesses Acquisition Management as “Modest/Moderate.” However the narrative on P. 50, (paragraph three, sentence two), states that “modest progress has been made overall...” It is recommended that these assessments be reconciled and made consistent as no lower than “modest/moderate.”

The assessment on P. 52 of the third criticized component under Acquisition Management, namely, “provide for post-award oversight,” does not adequately recognize the robust Contracting Officer’s Technical Representative (COTR) program that FEMA put in place last year. The COTR program is mentioned in the draft report under the second critical component, “recruit, train, and retain sufficient acquisition staff,” but primarily from a staffing perspective. The COTR program will significantly bolster post-award oversight as well.

FEMA created a COTR Program Management Office (PMO) in May 2007 to implement the training, support, and tools needed for effective contract administration. The FEMA COTR PMO provides Agency-wide oversight, accountability and operational effectiveness of the Agency’s COTRs. This program has also improved the

competencies of its COTRs, and has thereby improved the quality of work performed by them. Most recently FEMA requested funding to develop its COTRs in a tiered structure that goes beyond the DHS-required forty hours of annual training. By tiering the COTRs at levels I, II, and III, FEMA will be able to tailor a COTR's competencies and development to the level of program he or she will be assigned to support. This will improve both the pre- and post-award contracting activities. The COTR tiered certification structure represents an investment in the "New FEMA" by supporting the transformation of the current workforce to a highly skilled and effective contract management program. Based on this, FEMA considers this component as having moderate progress made.

Appendix C **Selected Reports**

Department of Homeland Security Office of Inspector General

A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina (OIG-06-32, March 2006).

Fiscal Year 2008 Annual Performance Plan.

Homeland Security Information Network Could Support Information Sharing More Effectively (OIG-06-38, June 2006).

Major Management Challenges Facing the Department of Homeland Security (OIG-08-11, November 2007).

Semiannual Report to the Congress: October 1, 2006 – March 31, 2007.

Government Accountability Office

Actions Needed to Clarify Responsibilities and Increase Preparedness for Evacuations (GAO-07-44, December 2006).

Observations on DHS and FEMA Efforts to Prepare for and Respond to Major and Catastrophic Disasters and Address Related Recommendations and Legislation (GAO-07-835T, May 2007).

Other Documents

A Failure of Initiative: Final Report of the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina (United States House of Representatives, February 2006).

Hurricane Katrina: A Nation Still Unprepared (U.S. Senate: Special Report of the Committee on Homeland Security and Governmental Affairs, S. Rept. 109-322, 2006).

The Federal Response to Katrina: Lessons Learned (The White House, February 2006).

Appendix D

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